



DING HE MINING HOLDINGS LIMITED  
鼎和礦業控股有限公司

(Incorporated in Hong Kong with limited liability)  
(於香港註冊成立的有限公司)  
Stock Code 股份代號：705



**2015** 中期業績報告  
INTERIM REPORT

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# CORPORATE INFORMATION

## 公司資料

### BOARD OF DIRECTORS

#### Executive Directors

Mr. Du Jian Jun (*Chairman*)  
Mr. Ji Kuang (*Co-Vice Chairman*)  
Mr. Li Po Wai (*Co-Vice Chairman*)  
Mr. Leung Wai Kwan (*Chief Executive Officer*)  
Ms. Meng Xiao Ying  
Mr. Fan Weipeng  
Mr. Yin Shibo

#### Independent Non-executive Directors

Mr. Chan Kin Ho Philip  
Ms. Tian Jinghua  
Ms. Li Zhenzhen

### COMPANY SECRETARY

Ms. Sharon Kwan

### AUDIT COMMITTEE

Mr. Chan Kin Ho Philip (*Chairman*)  
Ms. Tian Jinghua  
Ms. Li Zhenzhen

### REMUNERATION COMMITTEE

Mr. Chan Kin Ho Philip (*Chairman*)  
Ms. Tian Jinghua  
Ms. Li Zhenzhen

### NOMINATION COMMITTEE

Mr. Chan Kin Ho Philip (*Chairman*)  
Ms. Tian Jinghua  
Ms. Li Zhenzhen

### AUTHORISED REPRESENTATIVES

Mr. Leung Wai Kwan  
Ms. Sharon Kwan

### AUDITOR

Baker Tilly Hong Kong Limited  
Certified Public Accountants

### 董事會

#### 執行董事

杜建軍先生(*主席*)  
嵇匡先生(*聯席副主席*)  
李寶偉先生(*聯席副主席*)  
梁維君先生(*行政總裁*)  
孟小英女士  
范偉鵬先生  
尹仕波先生

#### 獨立非執行董事

陳建豪先生  
田晶華女士  
李珍珍女士

### 公司秘書

關紫芳女士

### 審核委員會

陳建豪先生(*主席*)  
田晶華女士  
李珍珍女士

### 薪酬委員會

陳建豪先生(*主席*)  
田晶華女士  
李珍珍女士

### 提名委員會

陳建豪先生(*主席*)  
田晶華女士  
李珍珍女士

### 授權代表

梁維君先生  
關紫芳女士

### 核數師

天職香港會計師事務所有限公司  
執業會計師

### LEGAL ADVISERS

*As to Hong Kong Law*  
Michael Li & Co.

*As to Malaysian Law*  
Tan, Goh & Associates

*As to Indonesian Law*  
Wibowo Hadiwijaya & Co  
Ombun Suryono Sidauruk & Partners

### SHARE REGISTRAR AND TRANSFER OFFICE

Computershare Hong Kong Investor Services Limited  
Shops 1712–1716, 17th Floor, Hopewell Centre  
183 Queen's Road East  
Wanchai  
Hong Kong

### REGISTERED OFFICE AND BRANCH OFFICE IN HONG KONG

Flat B, 21st Floor  
Neich Tower  
128 Gloucester Road  
Wanchai  
Hong Kong

### HEAD OFFICE AND PRINCIPAL OFFICE IN MALAYSIA

3rd Floor, Wisma Ho Wah Genting  
No. 35, Jalan Maharajalela  
50150 Kuala Lumpur  
Malaysia

### STOCK CODE

705

### COMPANY WEBSITE

[www.dinghemining.com.hk](http://www.dinghemining.com.hk)

### 法律顧問

香港法律  
李智聰律師事務所

馬來西亞法律  
Tan, Goh & Associates

印尼法律  
Wibowo Hadiwijaya & Co  
Ombun Suryono Sidauruk & Partners

### 股份過戶登記處

香港中央證券登記有限公司  
香港  
灣仔  
皇后大道東 183 號  
合和中心 17 樓 1712–1716 號舖

### 註冊辦事處及香港分辦事處

香港  
灣仔  
告士打道 128 號  
祥豐大廈  
21 樓 B 室

### 總辦事處及馬來西亞主要辦事處

3rd Floor, Wisma Ho Wah Genting  
No. 35, Jalan Maharajalela  
50150 Kuala Lumpur  
Malaysia

### 股份代號

705

### 公司網址

[www.dinghemining.com.hk](http://www.dinghemining.com.hk)

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### BUSINESS REVIEW

During the first half of 2015, the Group experienced a number of challenges from the difficult business and financial environment, including the slowdown of world economy, the keen competition in the magnesium market and the limited cash resources of the Group to operate and market the new business. For the six months ended 30 June 2015, the Group's reportable business segments are namely (i) the mining of dolomite and manufacture of magnesium ingots; (ii) extraction and bottling of mineral water; and (iii) exploration for iron ore, coal and manganese.

### Mining of Dolomite and Manufacture of Magnesium Ingots

The slowdown of the world economy and the depressed price for magnesium continued in the first half of 2015. In the face of the challenges of keen competition from other manufacturers and the cost-effectiveness of the operation, the smelter plant of the Group which situates in the State of Perak, Malaysia (the "**Smelter**") maintained its manufacturing operation of refining magnesium crown for sale, instead of a full production line to manufacture magnesium ingots.

The revenue generated by this business segment for the six months ended 30 June 2015 recorded a decrease of approximately 39.17% to approximately HK\$16,600,000, compared to the six months ended 30 June 2014 of approximately HK\$27,290,000.

Extraction of dolomite from the dolomite quarry has been halted since 2012. There was no dolomite extracted from the dolomite quarry for the first six months in 2015 (six months ended 30 June 2014: nil).

In light of the continuous gross losses recorded by the Smelter, the suspension of its mining activities and the partial operation of its production line since 2012, the directors of the Company ("**Directors**") have plan to review the recoverable amount of this cash-generating unit at the end of the financial year of 2015 by referencing to the full-year market situation of magnesium so as to revise the cash flow projection for next year and calculate the value in use of dolomite and manufacture of magnesium ingots.

### 業務回顧

於二零一五年上半年，本集團面對業務及金融環境的重重困難帶來的多項挑戰，包括環球經濟放緩、鎂金屬市場競爭激烈以及本集團經營及推廣新業務的現金資源有限。截至二零一五年六月三十日止六個月，本集團的可呈報業務分部分別為(i)開採白雲石及生產鎂錠；(ii)提取及裝瓶礦泉水；及(iii)勘探鐵礦石、煤及錳。

### 開採白雲石及生產鎂錠

環球經濟放緩及鎂價格受壓持續至二零一五年上半年。面對其他製造商的激烈競爭及營運成本效益等挑戰，本集團位於馬來西亞霹靂州的冶煉廠（「冶煉廠」）繼續維持生產精煉鎂球以供出售，而非生產鎂錠的全面生產線。

此業務分部截至二零一五年六月三十日止六個月產生的收入約為16,600,000港元，較截至二零一四年六月三十日止六個月約27,290,000港元減少約39.17%。

本集團自二零一二年已暫停於白雲石採石場開採白雲石。於二零一五年六個月內概無於白雲石採石場開採白雲石（截至二零一四年六月三十日止六個月：無）。

鑑於冶煉廠錄得持續毛損以及自二零一二年已暫停其採礦活動及其生產線的部份運作，經參考鎂的整年市況後，本公司董事（「董事」）已計劃於二零一五年財政年度末對此現金產生單位的可收回金額進行審閱，以修訂下一年的現金流量預測及計算白雲石及生產鎂錠的使用價值。

### Extraction and Bottling of Mineral Water

During the first half of 2015, the investment plan of Victory Dragon Holdings Limited and its subsidiary, 龍川升龍礦泉有限公司 (Long Chuan Shen Long Mineral Water Co. Ltd.) (“**Long Chuan**”) in a new production line for sparkling water is still in abeyance due to the limited cash resources available for the Group. In view thereof, the postponement of production line automation and new product line operation had hindered the sales generated by this business segment. The Company is negotiating with certain convenient stores, fuel stations and supermarkets in PRC for the distribution of our bottled mineral water. Long Chuan recorded a turnover of approximately HK\$291,000 (six months ended 30 June 2014: approximately HK\$534,000) and gross loss of approximately HK\$206,000 (six months ended 30 June 2014: approximately HK\$225,000).

At 30 June 2015, the management performed a regular review and noted that the financial performance of Long Chuan during the six months ended 30 June 2015 was similar to that during the same period of last financial year. The Directors have already examined the discounted cash flow from Long Chuan and found no significant deterioration as compared to that of last year. The Company will review the fair value of the assets of Long Chuan at the end of this year.

There was no impairment loss recognised in the unaudited condensed consolidated statement of profit or loss for the six months ended 30 June 2015 (six months ended 30 June 2014: approximately HK\$52,810,000).

### Exploration for Iron Ore, Coal and Manganese

The current investment of the Company in Indonesia is the exploration of manganese resources in Yogyakarta Province under the non-wholly owned subsidiary, PT. Laksbang Mediatama (“**PTLM**”).

As disclosed in the previous reports, the operation of PTLM (including the exploration project) has been suspended since 2012 due to the conflicts between the directors and legal representative of PTLM. In order to reinstate its operation and exploration activities, PTLM had applied to the Court in Yogyakarta for court ruling on the appointment of re-nominated directors and replacement of legal representative. In accordance with the legal opinion dated 15 March 2015 obtained from the lawyer of PTLM in Indonesia, the court has granted judgment on 19 November 2014 principally to stipulate PTLM to organise an extraordinary general meeting properly. PTLM is in the process of (i) identifying a legal firm to organise the extraordinary general meeting in accordance with the Indonesian laws and (ii) identifying suitable candidates with the appropriate experience and qualification to fill the vacancies as the legal representative and directors.

### 提取及裝瓶礦泉水

於二零一五年上半年，由於本集團的現金資源緊絀，故投資於凱龍集團有限公司及其附屬公司龍川升龍礦泉有限公司（「龍川」）以開發一條製造有氣水的新生產線的計劃仍然擱置。因此，生產線自動化及新生產線運作的延遲阻礙此業務分部產生的銷售額。本公司正與中國若干便利店、油站及超級市場就分銷瓶裝礦泉水進行磋商。龍川錄得營業額約291,000港元（截至二零一四年六月三十日止六個月：約534,000港元）及毛損約206,000港元（截至二零一四年六月三十日止六個月：約225,000港元）。

於二零一五年六月三十日，管理層進行定期審閱，發現龍川於截至二零一五年六月三十日止六個月的財務業績與上一財政年度同期相若。董事已審查龍川的已貼現現金流量，與去年相比並無重大惡化。本公司將於本年底審閱龍川資產的公平值。

於截至二零一五年六月三十日止六個月的未經審核簡明綜合損益表中概無確認減值虧損（截至二零一四年六月三十日止六個月：約52,810,000港元）。

### 勘探鐵礦石、煤及錳

本公司現時於印尼的投資為非全資附屬公司PT. Laksbang Mediatama（「PTLM」）於Yogyakarta省勘探錳資源。

誠如早前報告所披露，由於董事與PTLM的法律代表出現分歧，故PTLM（包括勘探項目）自二零一二年起暫停營運。為恢復PTLM的經營及勘探活動，PTLM已就委任重新提名董事及更換法律代表而向Yogyakarta省法院申請法院裁決。根據本公司於二零一五年三月十五日向PTLM的印尼律師取得的法律意見，法院已於二零一四年十一月十九日作出判決，主要為規定PTLM須適當地舉行股東特別大會。PTLM現正(i)物色一間律師事務所，以根據印尼法例舉行股東特別大會；及(ii)物色具備適當經驗及資歷的合適候選人，以填補法律代表及董事的空缺。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

As a result of the postponement of the third hearing and additional time is required to identify suitable candidates to fill the vacancies, the potential revenue generating from PTLM was further delayed whereas the estimated future cash inflow derived from the exploration activities of PTLM was deferred. The Directors have already examined the discounted cash flow from the exploration activities of PTLM and found there was no significant deterioration comparing to that of last year. As at 30 June 2015, the book value of the exploration and evaluation assets under this business segment is approximately HK\$22.5 million. Therefore, the Directors considered that the book value is close to the fair value of the assets and will review the fair value of the assets again at the end of this year.

### Capital Raising Exercises

On 21 July 2015, the Company and Kingston Securities Limited (the “**Placing Agent**”) entered into the placing agreement, whereby the Company has conditionally agreed to place, through the Placing Agent, on a best effort basis, of up to 612,000,000 placing shares under the general mandate to not less than six independent third parties at the placing price of HK\$0.185 per placing share (the “**Share Placement**”). The Share Placement has been completed on 7 August 2015 and the net proceeds from the Share Placement were approximately HK\$110.4 million, which will be used for the repayment of indebtedness and the general working capital of the Group.

Pursuant to the announcements of the Company dated 21 July 2015, 7 August 2015, 11 August 2015, 11 September 2015 and 18 September 2015 the Company proposed to raise gross proceeds (before expenses) of up to approximately HK\$153 million (assuming no placing shares are issued and no convertible bonds are converted on or before the record date) or HK\$185.3 million (assuming the maximum number of placing shares is issued and full conversion of the convertible bonds on or before the record date), by way of open offer (the “**Open Offer**”). The Company shall allot and issue not less than 1,530,541,307 offer shares and not more than 1,853,089,603 offer shares to the qualifying shareholders at a subscription price of HK\$0.10 per offer share, on the basis of one offer share for every two shares held on the record date. Pursuant to the latest timetable, the Open Offer is expected to be completed on 20 November 2015.

由於第三次聽證會延期並需額外時間物色合適人選填補空缺，進一步推遲PTLM所產生的潛在收入，亦因此推遲PTLM的勘探活動所產生的估計未來現金流入。董事已審查PTLM的勘探活動的已貼現現金流量，與去年相比並無重大惡化。於二零一五年六月三十日，此業務分部的勘探及評估資產的賬面值約為22,500,000港元。因此，董事認為資產的賬面值與公平值相若，並將於本年底再次審閱資產的公平值。

### 集資活動

於二零一五年七月二十一日，本公司與金利豐證券有限公司（「**配售代理**」）訂立配售協議，據此，本公司有條件同意根據一般授權，透過配售代理盡力向目前預期不少於六名獨立第三方配售最多612,000,000股配售股份，每股配售股份之配售價為0.185港元（「**股份配售**」）。股份配售於二零一五年八月七日完成，而股份配售籌集所得款項淨額約為110,400,000港元，將用作償還債項及本集團一般營運資金。

根據本公司日期為二零一五年七月二十一日、二零一五年八月七日、二零一五年八月十一日、二零一五年九月十一日及二零一五年九月十八日的公告，本公司建議以公開發售（「**公開發售**」）方式籌集所得款項總額（扣除開支前）最多約153,000,000港元（假設於認錄日期或之前概無發行配售股份及概無兌換可換股債券）或185,300,000港元（假設於認錄日期或之前已發行最高數目之配售股份及悉數兌換可換股債券）。本公司將按於認錄日期每持有兩股股份獲發一股發售股份的基準，以認購價每股發售股份0.10港元向合資格股東配發及發行不少於1,530,541,307股發售股份及不多於1,853,089,603股發售股份。根據最新時間表，公開發售預期於二零一五年十一月二十日完成。

### Outlook

We will keep watching the market condition closely where the Group's principal businesses depend on and working to lower the operating cost, streamline the workforce and improve research and development to achieve more efficient processing methods in an attempt to improve our profit margin for the remaining period of the current financial year.

Improvement in the quality of lifestyle and higher disposable income in the PRC as well as the awareness of healthy living by consuming mineral water are some of the main reasons which the Group anticipates Long Chuan will be propelled to show better performance in future. We will continue to invest in promotion and advertising activities to enhance awareness of the brand by the consumers. Through fund raising exercises conducted this year, the Group intends to use part of the proceeds to develop a new production line for sparkling water and put emphasise on expanding the business into the premium sector of the natural mineral water business.

In respect to PTLM, the Company will mobilise its team to continue the exploration activities from where it has left off once a new legal representative and the directors are so appointed.

Last but not least, the Group is ever ready to look into the potential ventures for its long term growth plans when there is an opportunity to venture into profitable growth areas.

### Non-adjusting Events After the End of the Reporting Period

- (1) Ms. Li Zhenzhen has been appointed as an independent non-executive Director of the Company with effect from 17 July 2015 and as a member of each of audit committee, nomination committee and remuneration committee of the Company with effect from 20 July 2015;
- (2) On 21 July 2015, the Company entered into a placing agreement with the Placing Agent, pursuant to which the Company has agreed to place up to 612,000,000 placing shares under general mandate to not less than six independent third parties of the Group at HK\$0.185 per placing share. The Share Placement was subsequently completed on 7 August 2015 and 612,000,000 ordinary shares of the Company were allotted and issued. The net proceeds arising from the Share Placement were approximately HK\$110.4 million;

### 展望

本集團將繼續密切監察本集團主要業務經營地區的市況，並致力降低營運成本、精簡人手及提升研發以取得更有效選礦方法，藉以改善本集團於本財政年度餘下期間的利潤率。

中國國民生活質素改善、可支配收入增加，以及因關注健康生活而飲用礦泉水等主要原因，均促使本集團期望龍川可於未來締造更佳業績。本集團將繼續投資於宣傳及廣告活動，提高廣大消費者對品牌的認知。透過本年度進行的集資活動，本集團計劃使用部份所得款項開發有氣水產品的新生產線，並更專注於擴展天然礦泉水業務至高端領域。籌備工作正在進行，預計將於明年前開始發展該生產線。

就PTLM而言，一旦委任新法律代表及董事，本公司將調動其團隊在該地繼續勘探計劃。

最後，本集團已蓄勢待發，於任何有利可圖的增長範疇探尋商機，制訂長遠發展計劃。

### 報告期末後非調整事項

- (1) 自二零一五年七月十七日起，李珍珍女士獲委任為本公司獨立非執行董事及自二零一五年七月二十日起獲委任為本公司審核委員會成員、提名委員會成員及薪酬委員會成員；
- (2) 於二零一五年七月二十一日，本公司與配售代理訂立一份配售協議，據此，本公司同意根據一般授權按每股配售股份0.185港元向不少於六名本集團獨立第三方人士配售最多612,000,000股配售股份。股份配售其後於二零一五年八月七日完成，並配發及發行612,000,000股本公司普通股。股份配售產生之所得款項淨額約為110,400,000港元；

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- (3) On 21 July 2015, the Company proposed to raise gross proceeds of up to approximately HK\$185.3 million, before expenses, by way of Open Offer. The Company shall allot and issue not less than 1,530,541,307 offer shares and not more than 1,853,089,603 offer shares to qualifying shareholders at the subscription price of HK\$0.10 per offer share, on the basis of one offer share for every two shares held by the qualifying shareholders. Up to the approval date of this unaudited condensed consolidated interim financial statements, the Open Offer is still conditional upon fulfillment of the conditions set out in the Company's announcement dated 21 July 2015. A revised timetable was set out in the Company's announcement dated 11 August 2015 which was further revised in the announcements dated 11 September 2015 and 18 September 2015. The Open Offer is subject to the underwriter not terminating the Underwriting Agreement. Pursuant to revised timetable, the Open Offer is expected to be completed on 20 November 2015.
- (4) On 11 September 2015, the Group further agreed with Bank Rakyat that the cash settlement of the balance of RM56,740,000 (equivalent to approximately HK\$102,415,200) be extended to on or before 30 November 2015 (originally within three months from July to September 2015).
- (5) Mr. Cheung Ning resigned as an independent non-executive Director, member of the audit committee, the remuneration committee and the nomination committee of the Company with effect from 17 September 2015.
- (3) 於二零一五年七月二十一日，本公司建議以公開發售方式籌集所得款項總額最多約185,300,000港元(扣除開支前)。本公司將按合資格股東每持有兩股股份獲發一股發售股份之基準，以認購價每股發售股份0.10港元向合資格股東配發及發行不少於1,530,541,307股發售股份及不多於1,853,089,603股發售股份。截至本未經審核簡明綜合中期財務報表批准日期，公開發售尚有待本公司日期為二零一五年七月二十一日的公告所載條件達成後方可作實。本公司已於二零一五年八月十一日公佈經修訂時間表，並於二零一五年九月十一日及二零一五年九月十八日的公告作出進一步修訂。公開發售須待包銷商並無終止包銷協議時方可進行。根據經修訂時間表，公開發售預期於二零一五年十一月二十日完成。
- (4) 於二零一五年九月十一日，本集團與Bank Rakyat進一步協定，將以現金償付的餘額56,740,000馬幣(相當於約102,415,200港元)延期至二零一五年十一月三十日或之前(原定於二零一五年七月至九月的三個月內)支付。
- (5) 張寧先生辭任本公司獨立非執行董事、審核委員會、薪酬委員會及提名委員會成員，自二零一五年九月十七日起生效。

## FINANCIAL REVIEW

### Turnover and Other Revenue

The Group's turnover for the six months ended 30 June 2015 was HK\$16,894,084 (six months ended 30 June 2014: HK\$27,826,125). The Group received interest income of HK\$681 from money deposited with approved financial institutions and no rental income from leasing of drilling machines for the six months ended 30 June 2015 (six months ended 30 June 2014: HK\$3,308 and HK\$28,555 respectively). The Group also recorded sundry income HK\$97,694 (six months ended 30 June 2014: HK\$62,286).

### Cost of Sales

Cost of sales of the Group for the six months ended 30 June 2015 amounted to HK\$26,285,117 (six months ended 30 June 2014: HK\$36,688,912) which mainly included staff costs, depreciation and amortisation. The decrease in the cost of sales was primarily attributable to the decrease in all components of the cost of sales for a lower operating volume at the Smelter.

### 財務回顧

#### 營業額及其他收入

本集團截至二零一五年六月三十日止六個月的營業額為16,894,084港元(截至二零一四年六月三十日止六個月：27,826,125港元)。截至二零一五年六月三十日止六個月，本集團就存放於認可金融機構的存款收取利息收入681港元及並無就租賃鑽探機收取租金收入(截至二零一四年六月三十日止六個月：分別為3,308港元及28,555港元)。本集團亦錄得雜項收入97,694港元(截至二零一四年六月三十日止六個月：62,286港元)。

#### 銷售成本

本集團截至二零一五年六月三十日止六個月的銷售成本為26,285,117港元(截至二零一四年六月三十日止六個月：36,688,912港元)，主要包括員工成本、折舊及攤銷。銷售成本減少主要由於銷售成本全部組成部份因冶煉廠運作量下降而有所減少所致。

### Administrative Expenses

The administrative expenses increased by 3.9% to approximately HK\$13,220,000 in the first half of 2015 from approximately HK\$12,730,000 for the same period of last year.

### Exploration, Development and Mining Production Activities

#### *Geological exploration*

The Group has one production operation mining permit right for manganese covering an area of approximately 195 hectares in Yogyakarta Province, Indonesia.

During the six months ended 30 June 2015, the Group's geological exploration expenditure amounted to nil (six months ended 30 June 2014: nil).

#### *Mining of dolomite*

As at 30 June 2015, the Group did not extract any dolomite from the dolomite land. Hence, the accumulated dolomite reserves identified up to 30 June 2015 remained at 19,970 MT (up to 30 June 2014: 19,970 MT).

The expenditure incurred on dolomite mining production activities, which was mainly minimum royalty payment, for the six months ended 30 June 2015 was approximately HK\$383,000 (six months ended 30 June 2014: approximately HK\$477,200).

There were no new contracts and commitments entered into during the six months ended 30 June 2015 other than those that were disclosed in the Annual Report 2014.

#### *Iron ore, coal and manganese*

During the financial period under review, there were no development or mining production activities in respect of iron ore and coal minerals.

There were also no development or mining production activities in respect of manganese minerals in the six months ended 30 June 2015 due to the absence of the legal representative in the operation office in Indonesia. The expenditure incurred in these activities was therefore nil (six months ended 30 June 2014: nil).

There were no new contracts and commitments entered into during the six months ended 30 June 2015 (six months ended 30 June 2014: nil).

### 行政開支

行政開支由去年上半年約12,730,000港元增加3.9%至二零一五年同期約13,220,000港元。

### 勘探、發展及礦務生產活動

#### *地質勘探*

本集團擁有一個覆蓋印尼Yogyakarta省約195公頃範圍的錳生產經營開採許可證。

截至二零一五年六月三十日止六個月，本集團的地質勘探支出為零(截至二零一四年六月三十日止六個月：無)。

#### *開採白雲石*

於二零一五年六月三十日，本集團概無從白雲石地塊開採任何白雲石。因此，截至二零一五年六月三十日，已識別累計白雲石儲量維持19,970公噸(截至二零一四年六月三十日：19,970公噸)。

截至二零一五年六月三十日止六個月，白雲石礦務生產活動產生的支出(主要為最低專利權費)約為383,000港元(截至二零一四年六月三十日止六個月：約477,200港元)。

除二零一四年年報披露者外，本公司於截至二零一五年六月三十日止六個月內概無訂立新合約及承擔。

#### *鐵礦石、煤炭及錳*

於財政回顧期，並無就鐵礦石及煤炭礦物進行任何開發或礦務生產活動。

截至二零一五年六月三十日止六個月，由於印尼辦事處並無法律代表，故亦無就錳礦物進行任何開發或礦務生產活動。因此，用於此等活動的支出為無(截至二零一四年六月三十日止六個月：無)。

本公司於截至二零一五年六月三十日止六個月內概無訂立新合約及承擔(截至二零一四年六月三十日止六個月：無)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Estimated Proved Reserves

The updated mineral reserves of the Group as at 30 June 2015 and 31 December 2014 were as follows:

### 估計探明儲量

本集團於二零一五年六月三十日及二零一四年十二月三十一日之礦產儲量更新如下：

Minerals 礦產	Location 位置	Total area 總面積	Reserves identified by JORC standard (metric tonnes) as at 30 June 2015 proved 於二零一五年 六月三十日 JORC 規則識別之 儲量 (公噸) 探明	Reserves identified by JORC standard (metric tonnes) as at 31 December 2014 proved 於二零一四年 十二月三十一日 JORC 規則識別之 儲量 (公噸) 探明
Dolomite 白雲石	<b>Lots:</b> HS (D) 13756, PT 13404 and HS (D) 13757, PT 13405  <b>Mukim:</b> Sungai Siput <b>District:</b> Kuala Kangsar <b>State:</b> Perak <b>Country:</b> Malaysia 地段：HS (D) 13756, PT 13404 及 HS (D) 13757, PT 13405  區域：Sungai Siput 區：Kuala Kangsar 州：霹靂州 國家：馬來西亞	13 hectares 13 公頃	19,970 <sup>(1)</sup>	19,970 <sup>(1)</sup>
Manganese <sup>(2)</sup> 錳 <sup>(2)</sup>	<b>Village:</b> Jatimulyo <b>Subdistrict:</b> Girimulyo <b>Regency:</b> Kulon Progo <b>Province:</b> Daerah Istimewa Yogyakarta <b>Country:</b> Indonesia 村：Jatimulyo 分區：Girimulyo 區：Kulon Progo 省：Daerah Istimewa Yogyakarta 國家：印尼	195 hectares 195 公頃	Exploration activities suspended 已停止勘探活動	Exploration activities suspended 已停止勘探活動

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

Notes:

- (1) The average % of Magnesium Oxide (“MgO”) and Magnesium (“Mg”) are as follows:

South Hill 南山	Above Ground 地上	Below Ground (30 metres depth) 地下 (30米深)
Average % of MgO MgO所佔平均百分比	19.17%	18.59%
Average % of Mg Mg所佔平均百分比	11.50%	11.15%
North Hill 北山	Above Ground 地上	Below Ground (30 metres depth) 地下 (30米深)
Average % of MgO MgO所佔平均百分比	20.06%	19.10%
Average % of Mg Mg所佔平均百分比	12.04%	11.46%

- (2) During the six month ended 30 June 2015 and up to the date of this report, the operations in Yogyakarta, Indonesia, had been hampered due to the failure to contact the legal representative of PTLM.

附註：

- (1) 氧化鎂 (「MgO」) 及鎂 (「Mg」) 所佔平均百分比如下：

- (2) 截至二零一五年六月三十日止六個月及截至本報告日期，於印尼 Yogyakarta 省之業務因無法聯絡 PTLM 法律代表而受到阻礙。

### Net Foreign Exchange Gains/(Losses)

During the period under review, the net losses of HK\$72,258 (net gains for the six months ended 30 June 2014: HK\$63,152) on foreign exchange mainly represented the net realised losses on sales receipts net off against payments to suppliers and creditors in Malaysia and Indonesia.

Looking forward, the Group will be exposed to foreign currency risk primarily through exposures in sales and purchases that are denominated in foreign currencies other than the Group’s functional currency (e.g. US Dollars, Ringgit Malaysia, Chinese Renminbi and Indonesian Rupiah). The Group did not use any financial instruments for any hedging purposes during the six months ended 30 June 2015.

### Finance Costs

The Group’s finance costs principally consisted of effective interest of approximately HK\$11,460,000 (six months ended 30 June 2014: approximately HK\$9,950,000) for convertible bonds issued by the Company, interest expenses of approximately HK\$140,000 on loans from third party (six months ended 30 June 2014: approximately HK\$nil) and interest on the Group’s bank loans of approximately HK\$15,740,000 (six months ended 30 June 2014: approximately HK\$17,750,000).

### 外匯收益／(虧損)淨額

於回顧期內，外匯虧損淨額 72,258 港元 (截至二零一四年六月三十日止六個月收益淨額：63,152 港元) 主要指本集團銷售款項的已變現虧損淨額抵銷支付予馬來西亞及印尼供應商及債權人的款項。

展望未來，本集團將主要面臨以本集團功能貨幣以外的外幣 (例如美元、馬來西亞令吉、中國人民幣及印尼盧比) 為單位的買賣所帶來的外匯風險。於截至二零一五年六月三十日止六個月，本集團並無使用任何金融工具作任何對沖用途。

### 融資成本

本集團的融資成本主要包括本公司所發行可換股債券的實際利息約 11,460,000 港元 (截至二零一四年六月三十日止六個月：約 9,950,000 港元)、來自第三方貸款的利息開支約 140,000 港元 (截至二零一四年六月三十日止六個月：零港元) 及本集團銀行貸款的利息約 15,740,000 港元 (截至二零一四年六月三十日止六個月：約 17,750,000 港元)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Loss Before Taxation

The Group incurred a loss before taxation of approximately HK\$51,530,000 for the six months ended 30 June 2015 (six months ended 30 June 2014: approximately HK\$254,460,000) primarily as a result of loss from operations of approximately HK\$23,390,000 (six months ended 30 June 2014: approximately HK\$13,560,000), finance costs of approximately HK\$28,140,000 (six months ended 30 June 2014: approximately HK\$28,510,000). During the period under review, the Group did not recognise any other operating expenses (i.e. impairment losses on exploration and evaluation assets, interest in leasehold land and property, plant and equipment) (six months ended 30 June 2014: HK\$212,400,000).

Loss from operations increased by HK\$9,830,000 as compared to that during the same period in last year principally due to the absence of a one-off gain which was recorded during the six months ended 30 June 2014 for the disposal of subsidiaries.

### Loss per Share

Loss per share for the six months ended 30 June 2015 decreased to 1.78 HK cents (six months ended 30 June 2014: 13.12 HK cents) as loss attributable to owners of the Company decreased to approximately HK\$49,110,000 from approximately HK\$211,060,000 for the same period of last year as a result of no further impairment losses was recognised during the period under review (six months ended 30 June 2014: approximately HK\$212,400,000 recognised as impairment losses on exploration and evaluation assets, interest in leasehold land, and property, plant and equipment).

### Liquidity and Financial Resources

Net current liabilities of the Group stood at approximately HK\$583,870,000 as at 30 June 2015 (31 December 2014: approximately HK\$577,360,000). Included in current liabilities were secured bank loans and finance lease creditors of approximately HK\$352,600,000 (31 December 2014: approximately HK\$381,710,000). These bank loans from Bank Kerjasama Rakyat Malaysia Berhad (“**Bank Rakyat**”) bears an interest rate of 8.6% p.a. as at 30 June 2015 (31 December 2014: 8.6% p.a.) based on the floating rate of Bank Rakyat’s base financing rate plus 2% p.a. The Group had a gearing ratio of approximately negative 1.47 times (which is calculated on the basis of total finance leases, interest bearing borrowings and convertible bonds over total equity attributable to owners of the Company) as at 30 June 2015 (31 December 2014: negative 1.56 times).

### 除稅前虧損

本集團於截至二零一五年六月三十日止六個月產生除稅前虧損約51,530,000港元(截至二零一四年六月三十日止六個月:約254,460,000港元),主要由於經營虧損約23,390,000港元(截至二零一四年六月三十日止六個月:約13,560,000港元)、融資成本約28,140,000港元(截至二零一四年六月三十日止六個月:約28,510,000港元)所致。於回顧期內,本集團並無確認任何其他經營開支(即勘探及評估資產、租賃土地權益以及物業、廠房及設備的減值虧損)(截至二零一四年六月三十日止六個月:212,400,000港元)。

經營虧損較去年同期增加9,830,000港元,主要由於並無出現截至二零一四年六月三十日止六個月因出售附屬公司而錄得的一次性收益所致。

### 每股虧損

由於本公司擁有人應佔虧損由去年同期約211,060,000港元減少至約49,110,000港元,故截至二零一五年六月三十日止六個月的每股虧損減少至1.78港仙(截至二零一四年六月三十日止六個月:13.12港仙),乃由於回顧期內並無錄得進一步減值虧損(截至二零一四年六月三十日止六個月:確認勘探及評估資產、租賃土地權益以及物業、廠房及設備的減值虧損約212,400,000港元)所致。

### 流動資金及財務資源

於二零一五年六月三十日,本集團的流動負債淨額約為583,870,000港元(二零一四年十二月三十一日:約577,360,000港元)。流動負債包括有抵押銀行貸款及融資租賃債項約352,600,000港元(二零一四年十二月三十一日:約381,710,000港元)。於二零一五年六月三十日,此等由Bank Kerjasama Rakyat Malaysia Berhad(“**Bank Rakyat**”)提供的銀行貸款年利率為8.6%(二零一四年十二月三十一日:8.6%),即Bank Rakyat的基本融資利率加2%的浮動年利率。本集團於二零一五年六月三十日的資產負債比率約為負1.47倍(按融資租賃、計息借款及可換股債券總額除本公司擁有人應佔權益總額計算)(二零一四年十二月三十一日:負1.56倍)。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

The Group's bank and cash balances as at 30 June 2015 was approximately HK\$25,200,000 (31 December 2014: approximately HK\$380,000). The Group's prepayments, deposits and other receivables amounted to approximately HK\$1,140,000 (31 December 2014: approximately HK\$1,570,000).

Total deficit attributable to owners of the Company was approximately HK\$337,560,000 as at 30 June 2015 which increased from HK\$304,570,000 as at 31 December 2014 mainly due to huge accumulated losses in the previous years which have more than offset the balance in the stockholders' balance.

The Directors have taken and/or will take the following actions to mitigate the liquidity issues faced by the Group:

- (i) The Directors review the Group's cash position regularly;
- (ii) During the period under review, the Company negotiated with the holders of the matured convertible bonds ("**Matured Bonds**") in relation to, among others, the possible extension of the Matured Bonds and other possible alteration of terms of the Matured Bonds ("**Proposed Alteration**"). The holders of the Matured Bonds agreed not to redeem the Matured Bonds until the Proposed Alteration is confirmed. The interest on the Matured Bonds will continue to be payable by the Company until the date of redemption pursuant to the terms of the Matured Bonds;
- (iii) On 13 April 2015, the Company entered into a placing agreement with Upbest Securities Company Limited ("**Upbest**") for the purpose of the placing of up to HK\$550,000,000 convertible bonds under specific mandate to not less than six places with an estimated net proceeds of approximately HK\$535,600,000 for the repayment of indebtedness of the Group and the general working capital of the Group. The placing agreement has been terminated pursuant to a termination agreement entered into between the Company and Upbest on 21 July 2015 in view of the market condition;
- (iv) The Company and its wholly-owned subsidiary, CVM Magnesium Sdn. Bhd. ("**CVMSB**") have negotiated with Bank Rakyat for the restructuring of the outstanding bank loans. On 26 June 2015, the Company received a letter from Bank Rakyat informing CVMSB that Bank Rakyat is agreeable that the full and final settlement amounting to RM113,040,000 (equivalent to approximately HK\$258,850,469) be repayable by instalments with principal terms and conditions as disclosed in the announcements of the Company dated 26 June 2015 and 11 September 2015;

於二零一五年六月三十日，本集團的銀行及現金結餘約為25,200,000港元(二零一四年十二月三十一日：約380,000港元)。本集團的預付款項、按金及其他應收款項約為1,140,000港元(二零一四年十二月三十一日：約1,570,000港元)。

本公司擁有人應佔虧損總額由二零一四年十二月三十一日約304,570,000港元增至二零一五年六月三十日約337,560,000港元，主要由於過往年度累計的巨額虧損超出股份持有人結餘內可供抵銷的金額所致。

董事已採取及／或將會採取下列行動減輕本集團所面臨的流動資金問題：

- (i) 董事定期審閱本集團的現金狀況；
- (ii) 於回顧期內，本公司與到期可換股債券(「**到期債券**」)持有人就(其中包括)到期債券建議延期及到期債券條款之其他建議修改(「**建議修改**」)進行公平磋商。到期債券持有人同意於建議修改確認前不贖回到期債券。根據到期債券條款，本公司將於贖回日期前繼續支付到期債券利息；
- (iii) 於二零一五年四月十三日，本公司與美建證券有限公司(「**美建**」)訂立配售協議，以根據特別授權向不少於六名承配人配售最多550,000,000港元的可換股債券，估計所得款項淨額約為535,600,000港元，乃用於償還本集團的債務及用作本集團的一般營運資金。鑑於市況，根據本公司與美建於二零一五年七月二十一日訂立的終止協議，配售協議經已終止；
- (iv) 本公司及其全資附屬公司CVM Magnesium Sdn. Bhd. (「**CVMSB**」)與Bank Rakyat就重組未償還銀行貸款進行磋商。於二零一五年六月二十六日，本公司接獲來自Bank Rakyat通知CVMSB的函件，Bank Rakyat同意按本公司日期為二零一五年六月二十六日及二零一五年九月十一日的公告所披露的主要條款及條件，分期償還全部及最終還款金額113,040,000馬幣(相當於約258,850,469港元)；

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

- (v) Pursuant to the Company's announcement dated 21 July 2015 in relation to the Share Placement, all conditions of the Share Placement have been fulfilled and the Share Placement was completed on 7 August 2015. The Company has allotted and issued 612,000,000 placing ordinary shares at the placing price of HK\$0.185 per placing share (the "**Placing**"), the gross proceeds raised from the placing was approximately HK\$113 million, after taking into account the estimated costs and expenses in connection with the Placing, the net proceeds from the Placing was approximately HK\$110 million, representing a net price of HK\$0.18 per placing share. The net proceeds from the Placing were/will be used for the repayment of indebtedness and general working capital of the Group;
- (vi) Pursuant to the announcements of the Company dated 21 July 2015, 7 August 2015, 11 August 2015, 11 September 2015 and 18 September 2015, the Company proposed to raise gross proceeds (before expenses) of up to approximately HK\$153 million (assuming no placing shares are issued and no convertible bonds are converted on or before record date) or HK\$185.3 million (assuming the maximum number of placing shares is issued and full conversion of the convertible bonds on or before the record date), by way of Open Offer. The Company shall allot and issue not less than 1,530,541,307 offer shares and not more than 1,853,089,603 offer shares to the qualifying shareholders at a subscription price of HK\$0.10 per offer share, on the basis of one offer share for every two shares held on the record date. Pursuant to revised timetables, the Open Offer is expected to be completed on 20 November 2015; and
- (vii) The Group is seeking investors or strategic partners for the Group's projects in Indonesia and the People's Republic of China (the "**PRC**").
- (v) 根據本公司日期為二零一五年七月二十一日有關股份配售之公告，股份配售之所有條件已獲達成，而股份配售已於二零一五年八月七日完成。本公司已按配售價每股配售股份0.185港元配發及發行612,000,000股配售普通股（「配售事項」）。配售事項的所得款項總額約為113,000,000港元（經計及與配售事項有關的估計成本及開支），而配售事項的所得款項淨額約為110,000,000港元，每股配售股份的淨價為0.18港元。配售事項的所得款項淨額已／將用作償還債項及本集團一般營運資金；
- (vi) 根據本公司日期為二零一五年七月二十一日、二零一五年八月七日、二零一五年八月十一日、二零一五年九月十一日及二零一五年九月十八日的公告，本公司建議以公開發售方式籌集所得款項總額（扣除開支前）最多約153,000,000港元（假設於記錄日期或之前概無發行配售股份及概無兌換可換股債券）或185,300,000港元（假設於記錄日期或之前已發行最高數目之配售股份及悉數兌換可換股債券）。本公司將按於記錄日期每持有兩股股份獲發一股發售股份的基準，以認購價每股發售股份0.10港元向合資格股東配發及發行不少於1,530,541,307股發售股份及不多於1,853,089,603股發售股份。根據經修訂時間表，公開發售預期於二零一五年十一月二十日完成；及
- (vii) 本集團正就其在印尼及中華人民共和國（「中國」）的項目物色投資者或策略夥伴。

### Capital Expenditure

The carrying amount of the Group's property, plant and equipment as at 30 June 2015 decreased by 11.7% to approximately HK\$216,670,000 (31 December 2014: approximately HK\$245,270,000) mainly as a result of the depreciation and amortisation charges incurred during the six months ended 30 June 2015.

### 資本開支

於二零一五年六月三十日，本集團物業、廠房及設備的賬面值減少11.7%至約216,670,000港元（二零一四年十二月三十一日：約245,270,000港元），此乃主要由於截至二零一五年六月三十日止六個月錄得折舊及攤銷開支所致。

### Charge on Assets

The bank loans are granted to the Group's wholly owned subsidiary, CVMSB and secured by way of:

- (i) a legal charge over the land and factory building to be erected thereon held by CVMSB;
- (ii) assignment of trade receivables derived;
- (iii) a debenture creating fixed and floating legal charge over all present and future assets of CVMSB excluding the performance bonds;
- (iv) assignment of all CVMSB's rights, entitlement and interest in and to all building contracts, design drawings and other contracts pertaining to the magnesium ingot project (the "Project");
- (v) an assignment of all CVMSB rights, benefits and interest under insurance undertaken by CVMSB as part of its operations for the Project;
- (vi) an assignment over the existing revenue accounts maintained at Bank Rakyat and monies standing to the credit of the revenue account in favour of the bank, the revenue account shall be operated solely by the bank;
- (vii) a first fixed charge/assignment over the retorts of CVMSB;
- (viii) an assignment over the insurance policies of the retorts of CVMSB; and
- (ix) corporate guarantee by Ding He Mining Holding Limited (28(a)).

### Share Capital

As at 30 June 2015, the share capital of the Company was HK\$1,080,211,222 (as at 31 December 2014: HK\$989,710,234).

On 10 April 2015, all holders of the non-redeemable convertible preference shares ("CPSs") had converted the CPSs into fully paid ordinary shares in the share capital of the Company on the basis of one conversion share to one CPS. Accordingly, a total of 565,631,177 ordinary shares were issued during the period under review.

### 資產抵押

批予本集團全資附屬公司CVMSB的銀行貸款按以下方式擔保：

- (i) 就CVMSB所持土地及在其上興建的廠房設立法定押記；
- (ii) 轉讓所得的應收賬款；
- (iii) 就CVMSB所有現有及未來資產(不包括履約保證)設立固定及浮動法定押記的債券；
- (iv) 轉讓CVMSB於與鎂錠項目(「該項目」)有關的所有樓宇合約、設計圖則及其他合約的一切權利、享有權及權益；
- (v) 轉讓CVMSB作為其於該項目業務一部份所承購保險的一切權利、利益及權益；
- (vi) 向Bank Rakyat轉讓在該銀行開設的現有收入戶及該收入戶的進賬款項，收入戶僅由該銀行操作；
- (vii) 就CVMSB的還原權設立的第一固定押記／轉讓；
- (viii) 轉讓CVMSB的還原權的保單；及
- (ix) 鼎和礦業控股有限公司作出的公司擔保(附註28(a))。

### 股本

於二零一五年六月三十日，本公司股本為1,080,211,222港元(於二零一四年十二月三十一日：989,710,234港元)。

於二零一五年四月十日，所有不可贖回可轉換優先股(「可轉換優先股」)持有人已按一股換股股份可轉換一股可轉換優先股的基準，轉換可轉換優先股為本公司股本中的繳足股款普通股。因此，於回顧期內已發行合共565,631,177股普通股。

# MANAGEMENT DISCUSSION AND ANALYSIS

## 管理層討論及分析

### Human Resources

As at 30 June 2015, the Group had a total of approximately 70 employees (31 December 2014: 80 employees). Total staff costs (including Directors' remuneration) for the six months ended 30 June 2015 were approximately HK\$3,980,000 (six months ended 30 June 2014: HK\$4,540,000) representing approximately 9.9% (six months ended 30 June 2014: 9.2%) of the Group's total cost of sales and administrative expenses. Employees are remunerated based on their performance, experience and industry practice. Bonuses are rewarded based on individual staff performance and in accordance with the Group's overall remuneration policies. The Group's management reviewed the remuneration policies and packages on a regular basis and had streamlined the workforce during the first half of this year.

### Contingent Liabilities

As at 30 June 2015, the Company has issued corporate guarantees totalling RM850,000 (equivalent to approximately HK\$1,742,000) (31 December 2014: RM850,000 (equivalent to approximately HK\$1,887,000)) to a supplier in respect of the purchase of liquefied petroleum gas made by CVMSB.

As at 30 June 2015, the Company has issued corporate guarantees totalling RM133,004 (equivalent to approximately HK\$273,000) (31 December 2014: RM133,004 (equivalent to approximately HK\$300,000)) for finance lease creditors in respect of the purchase of motor vehicles and equipment by CVMSB.

The Company has not recognised any deferred income in respect of the corporate guarantees as its fair value cannot be reliably measured and its transaction price was nil for the six months ended 30 June 2015 and the year ended 31 December 2014.

### 人力資源

於二零一五年六月三十日，本集團共有約70名僱員(二零一四年十二月三十一日：80名僱員)。截至二零一五年六月三十日止六個月的員工成本總額(包括董事酬金)約為3,980,000港元(截至二零一四年六月三十日止六個月：4,540,000港元)，佔本集團總銷售成本及行政開支約9.9%(截至二零一四年六月三十日止六個月：9.2%)。僱員酬金按表現、經驗及行業慣例釐定，而花紅則按員工個別表現及根據本集團整體薪酬政策發放。本集團管理層定期檢討薪酬政策及待遇，並於本年度上半年精簡人手。

### 或然負債

於二零一五年六月三十日，本公司已就CVMSB購買液化石油氣向一名供應商發出公司擔保合共850,000馬幣(相當於約1,742,000港元)(二零一四年十二月三十一日：850,000馬幣(相當於約1,887,000港元))。

於二零一五年六月三十日，本公司已就CVMSB購買汽車及設備的融資租賃債項發出公司擔保合共133,004馬幣(相當於約273,000港元)(二零一四年十二月三十一日：133,004馬幣(相當於約300,000港元))。

截至二零一五年六月三十日止六個月及截至二零一四年十二月三十一日止年度，本公司並無就公司擔保確認任何遞延收入，此乃由於其公平值無法可靠地計量且其交易價格為零所致。

# CONDENSED CONSOLIDATED STATEMENT OF PROFIT OR LOSS

## 簡明綜合損益表

		<b>Six months ended 30 June</b>		
		截至六月三十日止六個月		
		2015	2014	
		二零一五年	二零一四年	
		HK\$	HK\$	
		港元	港元	
		(Unaudited)	(Unaudited)	
		(未經審核)	(未經審核)	
	Note 附註			
Turnover	營業額	4	<b>16,894,084</b>	27,826,125
Cost of sales	銷售成本		<b>(26,285,117)</b>	(36,688,912)
Gross loss	毛損		<b>(9,391,033)</b>	(8,862,787)
Other revenue	其他收入	5	<b>98,375</b>	94,149
Other net gains and losses	其他收益及虧損淨額	6	<b>(72,258)</b>	10,535,086
Selling and distribution expenses	出售及分銷開支		<b>(798,707)</b>	(2,597,115)
Administrative expenses	行政開支		<b>(13,224,301)</b>	(12,725,009)
<b>Loss from operations</b>	<b>經營虧損</b>		<b>(23,387,924)</b>	(13,555,676)
Finance costs	融資成本	7(a)	<b>(28,139,223)</b>	(28,506,883)
Other operating expenses	其他經營開支	7(c)	-	(212,395,737)
<b>Loss before taxation</b>	<b>除稅前虧損</b>	7	<b>(51,527,147)</b>	(254,458,296)
Income tax credit	所得稅抵免	8	-	16,095,610
<b>Loss for the period</b>	<b>本期虧損</b>		<b>(51,527,147)</b>	(238,362,686)
<b>Attributable to:</b>	<b>以下人士應佔：</b>			
Owners of the Company	本公司擁有人		<b>(49,112,954)</b>	(211,062,184)
Non-controlling interests	非控股權益		<b>(2,414,193)</b>	(27,300,502)
<b>Loss for the period</b>	<b>本期虧損</b>		<b>(51,527,147)</b>	(238,362,686)
<b>Loss per share</b>	<b>每股虧損</b>			
Basic and diluted	基本及攤薄	9	<b>(1.78 cents 仙)</b>	(13.12 cents 仙)

# CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

## 簡明綜合全面收益表

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2015</b>	2014
		二零一五年	二零一四年
		<b>HK\$</b>	HK\$
		港元	港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
<b>Loss for the period</b>	本期虧損	<b>(51,527,147)</b>	(238,362,686)
<b>Other comprehensive income/(loss) for the period</b>	本期其他全面收益/(虧損)		
<i>Items that may be reclassified subsequently to profit or loss:</i>	其後可能重新分類至損益的項目：		
Exchange differences on translation of financial statements of overseas subsidiaries, net of nil tax	換算海外附屬公司財務報表的匯兌差異，扣除零稅項	<b>16,448,668</b>	362,343
Reclassification of other comprehensive income upon disposal of overseas subsidiaries	出售海外附屬公司時重新分類其他全面收益	26	-
		-	(1,522,118)
<b>Total comprehensive loss for the period</b>	本期全面虧損總額	<b>(35,078,479)</b>	(239,522,461)
<b>Attributable to:</b>	以下人士應佔：		
Owners of the Company	本公司擁有人	<b>(32,997,418)</b>	(211,683,405)
Non-controlling interests	非控股權益	<b>(2,081,061)</b>	(27,839,056)
<b>Total comprehensive loss for the period</b>	本期全面虧損總額	<b>(35,078,479)</b>	(239,522,461)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

## 簡明綜合財務狀況表

		At 30 June 2015 於 二零一五年 六月三十日	At 31 December 2014 於 二零一四年 十二月三十一日	
		Note 附註	HK\$ 港元 (Unaudited) (未經審核)	HK\$ 港元 (Audited) (經審核)
<b>Non-current assets</b>		<b>非流動資產</b>		
Property, plant and equipment	物業、廠房及設備			
— Property, plant and equipment	— 物業、廠房及設備	12	<b>212,131,681</b>	239,763,035
— Interests in leasehold land held for own use under operating leases	— 根據經營租賃持作 自用租賃土地權益		<b>4,535,362</b>	5,508,271
Goodwill	商譽	13	—	—
Exploration and evaluation assets	勘探及評估資產	14	<b>41,569,284</b>	41,660,400
Mining deposit	探礦按金		<b>184,455</b>	199,778
			<b>258,420,782</b>	287,131,484
<b>Current assets</b>		<b>流動資產</b>		
Inventories	存貨	15	<b>2,267,447</b>	3,714,563
Trade receivables	應收賬款	16	<b>241,332</b>	2,854,282
Prepayments, deposits and other receivables	預付款項、按金及其他 應收款項	17	<b>1,137,875</b>	1,567,332
Amount due from a related party	應收一名關連方款項	21	—	36,391
Pledged deposit	質押存款	18	—	2,735
Cash and cash equivalents	現金及現金等價物		<b>25,197,048</b>	378,935
			<b>28,843,702</b>	8,554,238
<b>Current liabilities</b>		<b>流動負債</b>		
Trade and other payables	應付賬款及其他應付款項	19	<b>112,483,748</b>	105,108,868
Obligations under finance leases	融資租賃承擔	20	<b>284,177</b>	315,456
Amount due to a director	應付一名董事款項	21	<b>347</b>	138,000
Amounts due to related parties	應付關連方款項	21	<b>2,585,623</b>	4,398,961
Convertible bonds	可換股債券	24	<b>102,738,940</b>	94,278,123
Bank loans — secured	有抵押銀行貸款	22	<b>352,310,645</b>	381,392,173
Unsecured loans from third parties	來自第三方無抵押貸款	23	<b>42,200,000</b>	—
Tax payable	應付稅項		<b>109,709</b>	278,451
			<b>612,713,189</b>	585,910,032
<b>Net current liabilities</b>	<b>流動負債淨額</b>		<b>(583,869,487)</b>	(577,355,794)
<b>Total assets less current liabilities</b>	<b>總資產減流動負債</b>		<b>(325,448,705)</b>	(290,224,310)

# CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONTINUED)

## 簡明綜合財務狀況表(續)

			At 30 June 2015 於 二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於 二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
	Note 附註			
<b>Non-current liabilities</b>		<b>非流動負債</b>		
Obligations under finance leases	20	融資租賃承擔	114,114	260,030
Deferred tax liabilities		遞延稅項負債	8,568,647	8,568,647
			<b>8,682,761</b>	8,828,677
<b>Net liabilities</b>		<b>負債淨額</b>	<b>(334,131,466)</b>	(299,052,987)
<b>Capital and reserves</b>		<b>資本及儲備</b>		
Share capital	25	股本	1,080,211,222	989,710,234
Convertible preference shares		可換股優先股	-	90,500,988
Reserves		儲備	(1,417,775,713)	(1,384,778,295)
<b>Total deficit attributable to owners of the Company</b>		<b>本公司擁有人應佔虧損總額</b>	<b>(337,564,491)</b>	(304,567,073)
Non-controlling interests		非控股權益	3,433,025	5,514,086
<b>Total deficit</b>		<b>虧損總額</b>	<b>(334,131,466)</b>	(299,052,987)

# CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

## 簡明綜合權益變動表

		Attributable to owners of the Company 本公司擁有人應佔																		
		Convertible Share preference shares			Share premium			Exchange reserve		Capital reserve		Convertible bond equity reserve		Other reverse		Accumulated losses		Non- controlling interests		Total Deficit
		股本	可轉換優先股	股份溢價	匯兌儲備	資本儲備	可換股債券 權益儲備	其他儲備	累計虧損	總額	非控股權益	虧損總額								
Note 附註		HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元	HK\$ 港元
At 1 January 2014 (Audited)	於二零一四年一月一日(經審核)	160,818,427	-	690,145,419	30,253,721	1,338,136	29,331,866	30,856,527	(1,198,780,963)	(256,036,867)	51,453,710	(204,583,157)								
<b>Changes in equity for the period:</b>	<b>本期權益變動：</b>																			
Loss for the period	本期虧損	-	-	-	-	-	-	-	(211,062,184)	(211,062,184)	(27,300,502)	(238,362,686)								
Other comprehensive loss	其他全面虧損	-	-	-	(621,221)	-	-	-	-	(621,221)	(538,554)	(1,159,775)								
Total comprehensive loss for the period	本期全面虧損總額	-	-	-	(621,221)	-	-	-	(211,062,184)	(211,683,405)	(27,839,056)	(239,522,461)								
Disposal of subsidiaries	出售附屬公司	26	-	-	-	-	-	-	-	-	1,263,559	1,263,559								
Transition to no-par value regime on 3 March 2014	於二零一四年三月三日過渡至無面值制度	690,145,419	-	(690,145,419)	-	-	-	-	-	-	-	-								
At 30 June 2014 (Unaudited)	於二零一四年六月三十日(未經審核)	850,963,846	-	-	29,632,500	1,338,136	29,331,866	30,856,527	(1,409,843,147)	(467,720,272)	24,878,213	(442,842,059)								
At 1 January 2015 (Audited)	於二零一五年一月一日(經審核)	989,710,234	90,500,988	-	32,296,049	1,338,136	29,331,866	30,856,527	(1,478,600,873)	(304,567,073)	5,514,086	(299,052,987)								
<b>Change in equity for the period:</b>	<b>本期權益變動：</b>																			
Loss for the period	本期虧損	-	-	-	-	-	-	-	(49,112,954)	(49,112,954)	(2,414,193)	(51,527,147)								
Other comprehensive loss	其他全面虧損	-	-	-	16,115,536	-	-	-	-	16,115,536	333,132	16,448,668								
Total comprehensive loss for the period	本期全面虧損總額	-	-	-	16,115,536	-	-	-	(49,112,954)	(32,997,418)	(2,081,061)	(35,078,479)								
Conversion of convertible preference shares	轉換可轉換優先股	25(a)	90,500,988	(90,500,988)	-	-	-	-	-	-	-	-								
At 30 June 2015 (Unaudited)	於二零一五年六月三十日(未經審核)	1,080,211,222	-	-	48,411,585	1,338,136	29,331,866	30,856,527	(1,527,713,827)	(337,564,491)	3,433,025	(334,131,466)								

# CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS

## 簡明綜合現金流量表

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2015</b>	2014
		二零一五年	二零一四年
		<b>HK\$</b>	HK\$
		港元	港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
		Note	
		附註	
<b>Operating activities</b>	<b>經營業務</b>		
Net cash (used in)/generated from operating activities	經營業務(所用)/所得現金淨額		<b>(13,506,536)</b> 20,785,205
<b>Investing activities</b>	<b>投資業務</b>		
Decrease in pledged deposit	質押存款減少		<b>2,735</b> 89
Payment for purchase of property, plant and equipment	購入物業、廠房及設備付款	12	- (6,011,630)
Interest received	已收利息		<b>681</b> 3,308
<b>Net cash generated from/(used in) investing activities</b>	<b>投資業務所得/(所用)現金淨額</b>		<b>3,416</b> (6,008,233)
<b>Financing activities</b>	<b>融資業務</b>		
Capital element of finance lease rentals paid	已付融資租賃租金的資本部份		<b>(152,906)</b> (258,277)
Interest on finance lease rentals paid	已付融資租賃租金的利息		<b>(12,289)</b> (27,765)
Interest paid	已付利息		<b>(699,323)</b> (19,427,419)
Net cash inflow arising on disposal of subsidiaries	出售附屬公司產生之現金流入淨額	26	- 7,756,820
Proceeds of unsecured loans from third parties	來自第三方無抵押貸款所得款項		<b>42,200,000</b> -
Repayment of convertible bonds	償還可換股債券		<b>(3,000,000)</b> -
<b>Net cash generated from/(used in) financing activities</b>	<b>融資業務所得/(所用)現金淨額</b>		<b>38,335,482</b> (11,956,641)
Net increase in cash and cash equivalents	現金及現金等價物增加淨額		<b>24,832,362</b> 2,820,331
Cash and cash equivalents at beginning of the period	期初現金及現金等價物		<b>378,935</b> 430,130
Effect of foreign exchange rate changes	匯率變動之影響		<b>(14,249)</b> 2,643
Cash and cash equivalents at end of the period	期終現金及現金等價物		<b>25,197,048</b> 3,253,104

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

## 簡明綜合中期財務報表附註

### 1 COMPANY INFORMATION

Ding He Mining Holdings Limited (the “**Company**”) is a company incorporated in Hong Kong with its ordinary shares listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”). The condensed consolidated interim financial statements of the Company as at and for the six months ended 30 June 2015 comprises the Company and its subsidiaries (together referred to as the “**Group**”). The Group is primarily engaged in the mining of dolomite and manufacturing and sale of magnesium ingots in the State of Perak, Malaysia, exploration of mining resources in Yogyakarta Province in the Republic of Indonesia (“**Indonesia**”) and bottling and sale of mineral water in Guangdong Province in the People’s Republic of China (the “**PRC**”).

The condensed consolidated interim financial statements are presented in HK dollars (“**HK\$**”), unless otherwise stated.

The condensed consolidated interim financial statements were approved for issue on 31 August 2015.

The condensed consolidated interim financial statements have not been audited.

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The condensed consolidated interim financial statements of the Group have been prepared in accordance with Hong Kong Accounting Standard (“**HKAS**”) 34 “Interim Financial Reporting” issued by the Hong Kong Institute of Certified Public Accountants (the “**HKICPA**”) and applicable disclosure provisions of Appendix 16 to the Rules Governing the Listing of Securities of the Stock Exchange (the “**Listing Rules**”).

The figures in respect of the interim report have been agreed by Baker Tilly Hong Kong Limited (“**Baker Tilly Hong Kong**”), to the amounts set out in the Group’s condensed consolidated interim financial statements for the six months ended 30 June 2015. As the work performed by Baker Tilly Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards on Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, Baker Tilly Hong Kong did not express any assurance on the interim report.

### 1 公司資料

鼎和礦業控股有限公司(「**本公司**」)是一間於香港註冊成立的公司，其普通股在香港聯合交易所有限公司(「**聯交所**」)主板上市。本公司於二零一五年六月三十日及截至該日止六個月的簡明綜合中期財務報表包括本公司及其附屬公司(統稱「**本集團**」)。本集團的主要業務為於馬來西亞霹靂州開採白雲石及生產及銷售鎂錠、於印度尼西亞共和國(「**印尼**」)Yogyakarta省勘探礦產資源及於中華人民共和國(「**中國**」)廣東省裝瓶及銷售礦泉水。

除另有說明者外，簡明綜合中期財務報表乃以港元(「**港元**」)呈列。

簡明綜合中期財務報表於二零一五年八月三十一日獲批准刊發。

簡明綜合中期財務報表未經審核。

### 2 簡明綜合中期財務報表的編製基準

本集團的簡明綜合中期財務報表乃根據香港會計師公會(「**香港會計師公會**」)所頒佈的香港會計準則(「**香港會計準則**」)第34號「中期財務報告」及聯交所證券上市規則(「**上市規則**」)附錄16的適用披露規定所編製。

天職香港會計師事務所有限公司(「**天職香港**」)已將有關中期報告之數字與本集團截至二零一五年六月三十日止六個月的簡明綜合中期財務報表所載數字確認一致。天職香港就此執行的工作並不構成根據香港會計師公會所頒佈的香港核數準則、香港審閱委聘準則或香港核證委聘準則而作出的核證委聘，因此，天職香港並無就中期報告作出任何核證。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(continued)

The financial information relating to the financial year ended 31 December 2014 that is included in the interim financial information as comparative information does not constitute the Group's annual financial statements prepared under HKFRSs for that financial year but is derived from those financial statements. Further information relating to these annual financial statements disclosed in accordance with section 436 of the Hong Kong Companies Ordinance (Cap. 622) (the "HKCO") is as follows:

The Company has delivered the financial statements for the year ended 31 December 2014 to the Registrar of Companies in accordance with section 662(3) of, and Part 3 of Schedule 6 to, the HKCO.

Selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in financial position and performance of the Group since the last annual consolidated financial statements as at and for the year ended 31 December 2014. These condensed consolidated interim financial statements do not include all the information and disclosures required for the full annual financial statements prepared in accordance with Hong Kong Financial Reporting Standards ("HKFRSs") issued by the HKICPA, and should be read in conjunction with the Group's annual consolidated financial statements for the year ended 31 December 2014.

The condensed consolidated interim financial statements have been prepared under the historical cost convention, except as otherwise disclosed in below notes.

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affect application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing the condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Group's annual consolidated financial statements for the year ended 31 December 2014.

### 2 簡明綜合中期財務報表的編製基準(續)

載於中期財務資料有關截至二零一四年十二月三十一日止財政年度作為比較資料的財務資料並不構成本集團於該財政年度根據香港財務報告準則編製的年度財務報表，惟乃源自該等財務報表。有關此等年度財務報表的進一步詳情根據香港公司條例(第622章)(「香港公司條例」)第436條披露如下：

本公司已根據香港公司條例第662(3)條及其附表6第3部向香港公司註冊處處長提交截至二零一四年十二月三十一日止年度的財務報表。

所載特選解釋附註解釋對理解本集團於二零一四年十二月三十一日及截至該日止年度的上一份年度綜合財務報表以來的財務狀況及表現變動而言屬重大的事件及交易。此等簡明綜合中期財務報表並不包含根據香港會計師公會所頒佈的香港財務報告準則(「香港財務報告準則」)編製完整的年度財務報表所需的一切資料及披露事項，且應與本集團截至二零一四年十二月三十一日止年度的年度綜合財務報表一併閱讀。

除以下附註另有披露者外，簡明綜合中期財務報表乃根據歷史成本法編製。

在編製簡明綜合中期財務報表時，管理層需作出判斷、估計及假設，其將對會計政策的應用以及資產及負債、收入及支出的報告數額構成影響。實際結果可能有別於此等估計數額。

在編製簡明綜合中期財務報表時，管理層在應用本集團會計政策及估計不確定性的主要來源時所作出的重大判斷與本集團截至二零一四年十二月三十一日止年度的年度綜合財務報表所應用者相同。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(continued)

In preparing the condensed consolidated interim financial statements, the Directors of the Company have given careful consideration to the future liquidity and performance of the Group in light of the fact that:

- (i) The Group incurred a loss for the six months ended 30 June 2015 attributable to owners of the Company of HK\$49,112,954 (unaudited) (six months ended 30 June 2014 (unaudited): HK\$211,062,184) and, as of that date, the Group's current liabilities exceeded its current assets by HK\$583,869,487 (unaudited) (31 December 2014 (audited): HK\$577,355,794);
- (ii) At 30 June 2015, the Group has cash and cash equivalents of HK\$25,197,048 (unaudited) (31 December 2014 (audited): HK\$378,935) which is insufficient to settle all the current liabilities: there are included accrued salaries of HK\$3,143,169 (unaudited) (31 December 2014 (audited): HK\$2,800,027) payables due in the immediate month, certain committed repayment instalments and interests payable of HK\$93,238,558 (unaudited) (31 December 2014 (audited): HK\$70,901,665) in the Group's borrowings; and committed to contract for of HK\$16,182,291 (unaudited) (31 December 2014 (audited): HK\$17,526,584) in the Group's capital commitments;
- (iii) As explained in Note 14(a) to the condensed consolidated interim financial statements, the production plant in Malaysia was suspended since the year ended 31 December 2012;
- (iv) As explained in Note 14(b) to the condensed consolidated interim financial statements, the Group lost contact with the legal representatives of PT. Laksbang Mediatama ("PTLM") in prior years and the re-nomination of the legal representatives has not yet been completed. PTLM holds a production operating mining permit for manganese in Indonesia. This brought to a halt to the daily operations and mining activities of PTLM and might impact the fulfillment of the obligations of PTLM in respect of its production operation mining permit for manganese and any other government regulations it would be subject to. The operations and future profitability of the Group might be affected by the loss of contact with the PTLM's legal representatives;

### 2 簡明綜合中期財務報表的編製基準(續)

在編製簡明綜合中期財務報表時，本公司董事已基於以下各項事實審慎考慮本集團的未來流動資金及表現：

- (i) 本集團於截至二零一五年六月三十日止六個月產生本公司擁有人應佔虧損49,112,954港元(未經審核)(截至二零一四年六月三十日止六個月(未經審核): 211,062,184港元)，以及於該日期，本集團流動負債超出流動資產583,869,487港元(未經審核)(二零一四年十二月三十一日(經審核): 577,355,794港元)；
- (ii) 於二零一五年六月三十日，本集團的現金及現金等價物為25,197,048港元(未經審核)(二零一四年十二月三十一日(經審核): 378,935港元)，其不足以償還所有流動負債，包括當月到期應計薪金3,143,169港元(未經審核)(二零一四年十二月三十一日(經審核): 2,800,027港元)、本集團借款中若干已承擔分期還款連同應付利息93,238,558港元(未經審核)(二零一四年十二月三十一日(經審核): 70,901,665港元)；及本集團資本承擔中已承擔已訂約16,182,291港元(未經審核)(二零一四年十二月三十一日(經審核): 17,526,584港元)；
- (iii) 誠如簡明綜合中期財務報表附註14(a)所闡釋，位於馬來西亞的生產廠房已自截至二零一二年十二月三十一日止年度起暫停營運；
- (iv) 誠如簡明綜合中期財務報表附註14(b)所闡釋，本集團於過往年度與PT. Laksbang Mediatama(「PTLM」)的法律代表失去聯絡，且尚未完成重新提名法律代表。PTLM持有位於印尼的錳生產經營開採許可證，此令PTLM的日常營運及採礦活動陷入停滯狀態，並可能影響PTLM履行有關其錳生產經營開採許可證及任何其他其將須遵守的政府規例的責任。本集團的業務及未來盈利能力或會因與PTLM的法律代表失去聯絡而受到影響；

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(continued)

(v) As detailed in Note 24(a) to the condensed consolidated interim financial statements, the aggregate principal amount of convertible bonds of HK\$80,000,000 (the “**Matured Bonds**”) following the non-redemption of the earlier First Tranche Bonds on 1 December 2014 technically constitutes an event of default on the part of the Company and can lead to a mandatory redemption of the Second Tranche Bonds, Third Tranche Bonds, Fourth Tranche Bonds and the Fifth Tranche Bonds. Up to the approval date of the condensed consolidated interim financial statements, all the Matured Bonds were defaulted. The Directors of the Company represented that (i) the Company is currently in the course of arm’s length negotiations with the holders of the Matured Bonds in relation to, among others, the possible extension of the Matured Bonds and other possible alteration of terms of the Matured Bonds (“**Proposed Alteration**”); (ii) as negotiated with the holders of the Matured Bonds, they verbally agreed not to redeem the Matured Bonds until the Proposed Alteration is confirmed; and (iii) the interest on the Matured Bonds will continue to be payable by the Company until the date of redemption pursuant to the terms of the Matured Bonds. The interest thereon is approximately HK\$4,970,000 up to the approval date of the condensed consolidated interim financial statements. As at the approval date of the condensed consolidated interim financial statements, the Proposed Alteration have not been fixed and confirmed yet;

(vi) As detailed in Note 24(b) to the condensed consolidated interim financial statements, the principal amount of convertible bonds of HK\$16,680,682 (the “**Victory Dragon Bonds**”) are maturing in 2017. As explained in Note 24(a) to the condensed consolidated interim financial statements, the non-redemption of convertible bonds of First Tranche Bonds on 1 December 2014 technically constitutes an event of default on the part of the Company and can lead to a mandatory redemption of the Victory Dragon Bonds. Therefore, the Victory Dragon Bonds have become due and payable at their principal amounts if any of their holders serves a notice on the Company subsequent to 1 December 2014. As at the approval date of the condensed consolidated interim financial statements, the Company represented that no mandatory redemption request has been received from any of the bondholders of the Victory Dragon Bonds;

### 2 簡明綜合中期財務報表的編製基準(續)

(v) 誠如簡明綜合中期財務報表附註24(a)詳述，隨著第一批債券較早前於二零一四年十二月一日未予贖回，本金額合共80,000,000港元的可換股債券(「**到期債券**」)理論上構成本公司違約，並可導致強制贖回第二批債券、第三批債券、第四批債券及第五批債券。直至簡明綜合中期財務報表批准日期止，所有到期債券經已違約。本公司董事表示，(i)本公司正與到期債券持有人就(其中包括)到期債券建議延期及到期債券條款之其他建議修改(「**建議修改**」)進行公平磋商；(ii)與到期債券持有人磋商後，彼等口頭同意於建議修改確認前不贖回到期債券；及(iii)根據到期債券條款，本公司將於贖回日期前繼續支付到期債券利息。直至簡明綜合中期財務報表批准日期止，有關利息約為4,970,000港元。於簡明綜合中期財務報表批准日期，建議修改尚未決定及確認；

(vi) 誠如簡明綜合中期財務報表附註24(b)詳述，本金額為16,680,682港元的可換股債券(「**凱龍債券**」)將於二零一七年期滿。誠如簡明綜合中期財務報表附註24(a)所述，第一批債券的可換股債券於二零一四年十二月一日未予贖回，理論上構成本公司違約，並可導致強制贖回凱龍債券。因此，凱龍債券將於任何凱龍債券持有人於二零一四年十二月一日後向本公司發出通知時到期，並須償還其本金。於簡明綜合中期財務報表批准日期，本公司表示其並未接獲任何凱龍債券持有人發出任何強制贖回的要求；

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(continued)

(vii) As detailed in Note 22 to the condensed consolidated interim financial statements, secured bank loans of HK\$352,310,645 (unaudited) (31 December 2014 (audited): HK\$381,392,173) are already due for repayment as the Company's wholly-owned subsidiary, CVM Magnesium Sdn. Bhd. ("CVMSB") is unable to fulfill the covenants set out in the facilities agreement. On 26 June 2015, the Group accepted the restructuring proposal (the "Bank Letter") offered by Bank Kerjasama Rakyat Malaysia Berhad ("Bank Rakyat"). Pursuant to which, the total amount owed and repayable to Bank Rakyat by CVMSB agreed to be reduced to RM113,040,000 (equivalents to approximately HK\$258,850,469) by means of cash settlements of RM68,040,000 (equivalents to approximately HK\$155,804,900) and redemption of charged properties for RM45,000,000 (equivalents to approximately HK\$103,045,569). The first cash repayment of RM11,300,000 (equivalents to approximately HK\$25,875,887) was already settled by the Group on 2 July 2015 within 7 working days from the restructuring proposal dated 26 June 2015 and the remaining balance of RM56,740,000 (equivalents to approximately HK\$129,929,013) shall be paid within three months from July to September 2015. Upon full repayment of the cash settlements to Bank Rakyat, CVMSB shall be entitled to redeem the charged properties for RM45,000,000 (equivalents to approximately HK\$103,045,569). The redemption shall take place within six months from the date of that Bank Letter and at the discretion of Bank Rakyat, extend for further six months if there is a proof of sale provided by CVMSB. An additional charge calculated at a rate of 3.85% per annum shall be imposed on the outstanding balance of RM45,000,000 (equivalents to approximately HK\$103,045,569) after full repayment of the above mentioned cash settlements and until the full redemption payment of the charged properties. Any breach of the above mentioned terms and conditions shall constitute an event of default and this revised restructuring proposal shall be terminated and Bank Rakyat has the right to proceed with legal actions against CVMSB and the Company;

### 2 簡明綜合中期財務報表的編製基準(續)

(vii) 誠如簡明綜合中期財務報表附註22詳述，由於本公司全資附屬公司CVM Magnesium Sdn. Bhd. (「CVMSB」) 未能履行融資協議所載契諾，故有抵押銀行貸款352,310,645港元(未經審核)(二零一四年十二月三十一日(經審核): 381,392,173港元)已到期償還。於二零一五年六月二十六日，本集團接納Bank Kerjasama Rakyat Malaysia Berhad (「Bank Rakyat」) 提出的重組提案(「銀行函件」)。據此，CVMSB所結欠及應償還予Bank Rakyat的總金額經協定後減少至113,040,000馬幣(相當於約258,850,469港元)，將以現金償付68,040,000馬幣(相當於約155,804,900港元)及贖回已押記物業45,000,000馬幣(相當於約103,045,569港元)的方式償還。本集團已於二零一五年七月二日(即日期為二零一五年六月二十六日的重組提案起計7個工作天內)償付首筆現金還款11,300,000馬幣(相當於約25,875,887港元)，而餘額56,740,000馬幣(相當於約129,929,013港元)則須於二零一五年七月至九月的三個月內支付。待向Bank Rakyat償清現金結算款後，CVMSB將有權贖回45,000,000馬幣(相當於約103,045,569港元)的已押記物業。有關贖回將自該銀行函件日期起計六個月內進行，而倘CVMSB提供有關銷售憑證，則Bank Rakyat可酌情再延長六個月。於償清上述現金結算款後，須按年息3.85%就未償還餘額45,000,000馬幣(相當於約103,045,569港元)加收費用，直至付清贖回已押記物業款項為止。如違反任何上述條款及條件將構成違約事件，此經修訂重組提案將告終止，而Bank Rakyat有權對CVMSB及本公司提出法律訴訟；

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

*(continued)*

(viii) As detailed in Note 28(a) to the condensed consolidated interim financial statements, the Company has corporate guarantees totalling approximately RM184,600,000 (equivalent to approximately HK\$378,356,000 (unaudited)) (31 December 2014 (audited): RM184,600,000 (equivalent to approximately HK\$409,767,000)) to Bank Rakyat in respect of bank loan facilities granted to CVMSB. As explained in Note 22 to the condensed consolidated interim financial statements, CVMSB has defaulted repayment of the bank loan facilities. Therefore, a possible claim might be made against the Company under the corporate guarantees if the Group cannot fulfill all the terms and conditions in the letter of restructuring proposal offered by Bank Rakyat as mentioned in note (vii) above; and

(ix) As detailed in Note 28(b) to the condensed consolidated interim financial statements, the bondholders of the Matured Bonds and Victory Dragon Bonds may without further notice institute such proceedings as it may think fit to enforce repayment of the Matured Bonds and Victory Dragon Bonds which theoretically become due and payable on 1 December 2014.

### 2 簡明綜合中期財務報表的編製基準 (續)

(viii) 誠如簡明綜合中期財務報表附註28(a)詳述，本公司已就CVMSB獲授之銀行貸款融資向Bank Rakyat發出公司擔保合共約184,600,000馬幣(相當於約378,356,000港元(未經審核))(二零一四年十二月三十一日(經審核): 184,600,000馬幣(相當於約409,767,000港元))。誠如簡明綜合中期財務報表附註22所述，CVMSB拖欠償還銀行貸款融資。因此，倘本集團未能達成上文附註(vii)所述Bank Rakyat提出的重組提案函件所載全部條款及條件，本公司可能因公司擔保而遭索償；及

(ix) 誠如簡明綜合中期財務報表附註28(b)詳述，到期債券及凱龍債券持有人毋需就構成其認為合適可強制償還到期債券及凱龍債券(理論上已於二零一四年十二月一日到期及須償還)的行動作進一步通知。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(continued)

The Directors of the Company have taken the following actions to mitigate the liquidity issues faced by the Group:

- (i) Subsequent to the end of the reporting period, the Company had announced on 21 July 2015 that the Company entered into a placing agreement with the placing agent, pursuant to which the Company agreed to place up to 612,000,000 placing shares to not less than six independent third parties of the Group at HK\$0.185 per placing share (the "Share Placement"). The Share Placement was subsequently completed on 7 August 2015 and 612,000,000 ordinary shares of the Company were allotted and issued as a result. The net proceeds arising from the Share Placement were approximately HK\$110.4 million;
- (ii) Subsequent to the end of the reporting period, the Company had announced on 21 July 2015 that the Company proposed to raise gross proceeds of up to approximately HK\$185.3 million, before expenses, by way of an open offer. The Company shall allot and issue not less than 1,530,541,307 offer shares and not more than 1,853,089,603 offer shares to qualifying shareholders at the subscription price of HK\$0.10 per offer share, on the basis of one offer share for every two shares held by the qualifying shareholders. Up to the approval date of approval of the condensed consolidated interim financial statements, the open offer is still conditional upon fulfillment of the conditions set out in the Company's announcement dated 21 July 2015 and a revised timetable was set out in the Company's announcement dated 11 August 2015 and the open offer is subject to the Underwriter not terminating the Underwriting Agreement. Pursuant to revised timetable, the Open Offer is expected to be completed on 28 October 2015.

### 2 簡明綜合中期財務報表的編製基準(續)

本公司董事已採取下列行動減輕本集團所面臨的流動資金問題：

- (i) 於報告期末後，本公司於二零一五年七月二十一日宣佈，本公司與配售代理訂立一份配售協議，據此，本公司同意按每股配售股份0.185港元向不少於六名本集團獨立第三方人士配售最多612,000,000股配售股份(「股份配售」)。股份配售其後於二零一五年八月七日完成，因此，612,000,000股本公司普通股已獲配發及發行。股份配售產生之所得款項淨額約為110,400,000港元；
- (ii) 於報告期末後，本公司於二零一五年七月二十一日宣佈，本公司建議以公開發售方式籌集所得款項總額最多約185,300,000港元(扣除開支前)。本公司將按合資格股東每持有兩股股份獲發一股發售股份之基準，以認購價每股發售股份0.10港元向合資格股東配發及發行不少於1,530,541,307股發售股份及不多於1,853,089,603股發售股份。截至簡明綜合中期財務報表批准日期，公開發售尚有待本公司日期為二零一五年七月二十一日的公告所載條件達成後方可作實，本公司已於二零一五年八月十一日公佈經修訂時間表，而公開發售須待包銷商並無終止包銷協議時方可進行。根據經修訂時間表，公開發售預期於二零一五年十月二十八日完成。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 2 BASIS OF PREPARATION OF THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS

(continued)

- (iii) The Group is seeking investors or strategic partners for the Group's projects in Indonesia and the People's Republic of China (the "PRC").

The Directors of the Company consider that taking into account the above, the cash requirements of the Group for the next twelve months from the end of the reporting period and the Group's ability to attain future profitable operations in CVMSB and its indirectly owned subsidiary, 龍川升龍礦泉有限公司 (Long Chuan Shen Long Mineral Water Co., Limited ("Long Chuan")), and all existing banking facilities will be continuously available for the Group's use, the Group will have sufficient working capital to meet in full their financial obligations as they fall due for the foreseeable future. Accordingly, the condensed consolidated interim financial statements have been prepared on a going concern basis.

Should the Group be unable to operate as a going concern, adjustments would have to be made to write down the value of all assets to their recoverable amounts, to provide for any further liabilities which might arise and to reclassify non-current assets and liabilities as current assets and liabilities, respectively. The effects of these potential adjustments have not been reflected in the condensed consolidated interim financial statements.

### 3 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group in the condensed consolidated interim financial statements are consistent with those of the consolidated financial statements as at and for the year ended 31 December 2014.

The HKICPA has issued a number of new and revised HKFRSs. For those which are effective for accounting periods beginning on 1 January 2015, the adoption has no significant impact on the Group's results and financial position; and for those which are not yet effective, the Group is in the process of assessing their impact on the Group's results and financial position.

### 2 簡明綜合中期財務報表的編製基準(續)

- (iii) 本集團正就其在印尼及中華人民共和國(「中國」)的項目物色投資者或戰略夥伴。

本公司董事認為，經考慮以上各點，本集團由報告期間結束起計未來十二個月的現金需求、本集團日後自CVMSB及其間接附屬公司龍川升龍礦泉有限公司(「龍川」)的營運獲利的能力，以及全部現有銀行融資將可持續供本集團動用後，本集團將有足夠營運資金悉數償還於可見將來到期償還的財務負債。因此，簡明綜合中期財務報表乃按持續經營基準編製。

倘本集團無法持續經營，則須作出調整以撇減所有資產值至其可收回金額，並就可能產生的任何進一步負債作出撥備，以及將非流動資產及負債分別重新分類為流動資產及負債。此等潛在調整的影響並未在簡明綜合中期財務報表內反映。

### 3 主要會計政策

本集團於簡明綜合中期財務報表所採用的會計政策與於二零一四年十二月三十一日及截至該日止年度的綜合財務報表所採用者一致。

香港會計師公會已頒佈多項新訂及經修訂香港財務報告準則。就於二零一五年一月一日開始的會計期間生效的香港財務報告準則而言，採納該等準則對本集團業績及財務狀況並無重大影響，而就尚未生效者而言，本集團正在評估該等準則對本集團業績及財務狀況的影響。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 4 TURNOVER

Turnover represents the sales value of magnesium ingots and related materials, and bottled mineral water supplied to customers. The amount of each significant category of revenue recognised in turnover during the period is as follows:

### 4 營業額

營業額指向客戶供應鎂錠及相關物料以及瓶裝礦泉水的銷售價值。於期內確認為營業額之各重大收入類別金額如下：

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
Sales of bottled mineral water	銷售瓶裝礦泉水	290,723	534,168
Sales of magnesium ingots and related materials	銷售鎂錠及相關物料	16,603,361	27,291,957
		<b>16,894,084</b>	<b>27,826,125</b>

### 5 OTHER REVENUE

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
Interest income	利息收入	681	3,308
Rental income from drilling machines	來自鑽探機的租金收入	-	28,555
Sundry income	雜項收入	97,694	62,286
		<b>98,375</b>	<b>94,149</b>

### 5 其他收入

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 6 OTHER NET GAINS AND LOSSES

### 6 其他收益及虧損淨額

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
Net foreign exchange (losses)/gains	匯兌(虧損)/收益淨額	(72,258)	63,152
Gain on disposal of subsidiaries (Note 26)	出售附屬公司的收益(附註26)	-	10,471,934
		<b>(72,258)</b>	<b>10,535,086</b>

### 7 LOSS BEFORE TAXATION

Loss before taxation is arrived at after charging:

### 7 除稅前虧損

除稅前虧損已扣除：

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
(a) Finance costs:	(a) 融資成本：		
Interest on bank loans wholly repayable within 5 years*	須於五年內悉數償還的銀行貸款利息*	15,735,507	17,745,086
Effective interest on convertible bonds	可換股債券實際利息	11,460,817	9,945,906
Interest on unsecured loans from third parties wholly repayable within 5 years	須於五年內悉數償還的來自第三方無抵押貸款的利息	142,312	-
Amortisation of loan transaction costs (Note 22)	貸款交易成本攤銷(附註22)	178,104	201,506
Finance charges on obligations under finance leases	融資租賃承擔的財務費用	12,289	27,765
Other borrowing costs	其他借貸成本	610,194	586,620
		<b>28,139,223</b>	<b>28,506,883</b>

\* The analysis shows the finance costs on bank loans, including terms loans which contain a repayment on demand clause, in accordance with the agreed scheduled repayment dates set out in the loan agreements. For the six months ended 30 June 2015 and 2014, the interest on bank loans which contain a repayment on demand clause amounted to HK\$15,735,507 (unaudited) and HK\$17,745,086 (unaudited), respectively.

\* 分析列示銀行貸款(包括載有按要求償還條款的有期貨款)的融資成本乃根據貸款協議所載協定預定償還日期進行。截至二零一五年及二零一四年六月三十日止六個月，載有按要求償還條款的銀行貸款利息分別為15,735,507港元(未經審核)及17,745,086港元(未經審核)。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 7 LOSS BEFORE TAXATION (continued)

### 7 除稅前虧損(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
(b) Staff costs (including Directors' remuneration)	(b) 員工成本(包括董事薪酬)		
Salaries, wages, bonuses and other benefits	薪金、工資、花紅及其他福利	3,841,245	4,248,939
Contributions to defined contribution retirement plan	向界定供款退休計劃供款	135,219	286,273
		3,976,464	4,535,212
		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
(c) Other operating expenses	(c) 其他經營開支		
Impairment losses:	減值虧損：		
— exploration and evaluation assets	— 勘探及評估資產	-	71,463,097
— interest in leasehold land	— 租賃土地權益	-	3,071,165
— property, plant and equipment	— 物業、廠房及設備	-	137,861,475
		-	212,395,737

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 7 LOSS BEFORE TAXATION (continued)

### 7 除稅前虧損(續)

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
(d)	Other items:		
	Amortisation of interests in leasehold land held for own use under operating leases	61,834	69,959
	Cost of inventories sold#	26,285,117	36,688,912
	Depreciation	11,529,007	12,634,280
	Operating lease charges in respect of:		
	— office equipment	224,744	18,072
	— office premises	180,845	838,377
	— staff housing	—	5,785

# The cost of inventories sold includes HK\$12,015,009 (unaudited) (six months ended 30 June 2014 (unaudited): HK\$13,305,913) relating to staff costs, depreciation and amortisation expenses, which amount is also included in the respective total amounts disclosed separately above or in Note 7(b) for each of these types of expenses.

# 與員工成本、折舊及攤銷開支有關的已售存貨成本12,015,009港元(未經審核)(截至二零一四年六月三十日止六個月(未經審核): 13,305,913港元)亦記入於上文或附註7(b)就各項類別開支分別披露的有關總金額中。

### 8 INCOME TAX

### 8 所得稅

(a) Taxation in the condensed consolidated statement of profit or loss represents:

(a) 簡明綜合損益表中之稅項代表：

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
<b>Current tax — Malaysian Income Tax</b>	<b>本期稅項 — 馬來西亞所得稅</b>		
Provision for the period	本期撥備	—	184,864
<b>Deferred tax</b>	<b>遞延稅項</b>		
Reversal of temporary differences	撥回暫時差額	—	(16,280,474)
Total income tax credit	所得稅抵免總額	—	(16,095,610)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 8 INCOME TAX (continued)

The Group is subject to income tax on an entity basis on profits arising in or derived from the jurisdictions in which members of the Group are domiciled and operated. The Directors of the Company determine the effective tax rate of the Group is 16.5% (six months ended 30 June 2014: 16.5%).

Hong Kong Profits Tax is calculated at 16.5% (six months ended 30 June 2014: 16.5%) of the estimated assessable profits for the six months ended 30 June 2015. No provision for Hong Kong Profits Tax has been made as the Group did not have assessable profit which is subject to Hong Kong Profits Tax for the six months ended 30 June 2015 and 2014.

Malaysian Income Tax is calculated at 25% (six months ended 30 June 2014: 25%) of assessable profits for the six months ended 30 June 2015. No provision for Malaysian Income Tax had been made as the Group did not have assessable profit which is subject to Malaysian Income Tax for the six months ended 30 June 2015. The provision of Malaysian Income Tax is calculated at 25% of the estimated assessable profits for the six months ended 30 June 2014.

In accordance with the tax laws of Indonesia, companies engaged in metal, mineral and coal mining are governed by a particular contract of work and this is used for computation of the domestic income tax relating to that contract of work. Since the natural resources located in Indonesia are still in a preliminary exploration phase, management of the Company was unable to ascertain from the local tax authorities the tax rate that should be applied to its mining operations for the six months ended 30 June 2015 and 2014. No provision for Indonesian Income Tax has been made as the Group did not have assessable profit which is subject to Indonesian Income Tax for the six months ended 30 June 2015 and 2014.

Under the Law of the PRC on Enterprise Income Tax (the "EIT Law") and Implementation Regulation of the EIT Law, the tax rate of the PRC subsidiary is 25% (six months ended 30 June 2014: 25%) for the six months ended 30 June 2015. No provision for PRC Enterprise Income Tax has been made as the Group did not have assessable profit which is subject to the PRC Enterprise Income Tax for the six months ended 30 June 2015 and 2014.

### 8 所得稅(續)

本集團須就於本集團成員公司註冊成立及經營業務所在司法權區所產生或賺取的溢利，按實體基準繳納所得稅。本公司董事確定本集團的實際稅率為16.5%（截至二零一四年六月三十日止六個月：16.5%）。

香港利得稅乃根據截至二零一五年六月三十日止六個月的估計應課稅溢利按16.5%（截至二零一四年六月三十日止六個月：16.5%）計算。由於截至二零一五年及二零一四年六月三十日止六個月本集團並無應課稅溢利須繳納香港利得稅，故並無就香港利得稅作出撥備。

馬來西亞所得稅乃根據截至二零一五年六月三十日止六個月的應課稅溢利按25%（截至二零一四年六月三十日止六個月：25%）計算。由於截至二零一五年六月三十日止六個月本集團並無應課稅溢利須繳納馬來西亞所得稅，故並無就馬來西亞所得稅作出撥備。馬來西亞所得稅的撥備乃根據截至二零一四年六月三十日止六個月的估計應課稅溢利按25%計算。

根據印尼稅法，從事開採金屬、礦物及煤炭業務之公司須受個別工程合約監管，有關合約亦用於計算有關該工程合約之國內所得稅。由於位於印尼之天然資源仍處於初步勘探階段，故本公司管理層無法向當地稅務機關確定其採礦業務於截至二零一五年及二零一四年六月三十日止六個月須應用之稅率。由於截至二零一五年及二零一四年六月三十日止六個月本集團並無應課稅溢利須繳納印尼所得稅，故並無就印尼所得稅作出撥備。

根據中國企業所得稅法（「企業所得稅法」）及企業所得稅法實施細則，中國附屬公司截至二零一五年六月三十日止六個月之稅率為25%（截至二零一四年六月三十日止六個月：25%）。由於截至二零一五年及二零一四年六月三十日止六個月本集團並無應課稅溢利須繳納中國企業所得稅，故並無就中國企業所得稅作出撥備。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 8 INCOME TAX (continued)

Pursuant to the rules and regulations of the British Virgin Islands, the Group is not subject to any income tax in this jurisdiction.

At 30 June 2015, the Group has not recognised deferred tax assets in respect of accumulated tax losses as it is not probable that future taxable profits against which the losses can be utilised will be available in the relevant tax jurisdictions. The tax losses do not expire under current tax legislation except for those losses made by the PRC subsidiary which will expire within five years from the year of incurrence. Other temporary differences are not material.

### 9 LOSS PER SHARE

#### (a) Basic loss per share

The calculation of basic loss per share is based on the loss attributable to owners of the Company of HK\$49,112,954 (unaudited) (six months ended 30 June 2014 (unaudited): HK\$211,062,184) and the weighted average number of 2,751,704,235 (unaudited) (30 June 2014 (unaudited): 1,608,184,265) ordinary shares in issue during the six months ended 30 June 2015, calculated as follows:

Weighted average number of ordinary shares:

		2015 二零一五年	2014 二零一四年
Issued ordinary shares at 1 January	於一月一日的已發行普通股	2,495,451,437	1,608,184,265
Effect of conversion of convertible preference shares (note 25(a))	轉換可轉換優先股的影響 (附註25(a))	256,252,798	—
Weighted average number of ordinary shares at 30 June	於六月三十日的普通股 加權平均數	2,751,704,235	1,608,184,265

#### (b) Diluted loss per share

The computation of diluted loss per share does not assume the conversion of the Company's outstanding convertible bonds and warrants since their exercise would result in a decrease in loss per share.

### 8 所得稅(續)

根據英屬處女群島規則及規例，本集團毋須在此司法權區繳納任何所得稅。

由於在相關稅務司法權區內將不大可能有可用作抵免虧損的未來應課稅溢利，故本集團於二零一五年六月三十日尚未將有關累計稅務虧損確認為遞延稅項資產。根據現行稅務法例，稅務虧損不會到期，惟中國附屬公司所產生虧損將自產生年度起計五年內到期則除外。其他暫時差異則不屬要項。

### 9 每股虧損

#### (a) 每股基本虧損

每股基本虧損乃按截至二零一五年六月三十日止六個月本公司擁有人應佔虧損49,112,954港元(未經審核)(截至二零一四年六月三十日止六個月(未經審核): 211,062,184港元)及已發行普通股加權平均數2,751,704,235股(未經審核)(二零一四年六月三十日(未經審核): 1,608,184,265股)計算如下:

普通股加權平均數:

#### (b) 每股攤薄虧損

每股攤薄虧損的計算並無假設轉換本公司尚未轉換的可換股債券及認股權證，此乃由於其行使將會導致每股虧損減少。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 10 INTERIM DIVIDENDS

The Directors of the Company do not recommend the payment of dividend for the six months ended 30 June 2015 and 2014.

### 11 SEGMENT REPORTING

The Group has identified the reportable segments set out below. The segment information reported internally to the Group's most senior executive management (being the chief operating decision maker) ("CODM") for the purposes of resources allocation and performance assessment is the same as those reported in the condensed consolidated interim financial statements.

Mining of dolomite and manufacture of magnesium ingots	This segment includes trading of magnesium ingots. Currently, the Group's trading activities are mainly carried out in South America and Malaysia.
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Exploration for iron ore, coal and manganese	This segment is engaged in the exploration for iron ore, coal and manganese in Indonesia. The activities carried out in Indonesia are through indirectly owned subsidiaries.
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Extraction and bottling of mineral water	This segment is engaged in the extraction and bottling of mineral water in the PRC. The activities carried out in the PRC are through an indirectly owned subsidiary.
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The accounting policies of the reportable segments are the same as those used for the preparation of the condensed consolidated interim financial statements.

### 10 中期股息

本公司董事並不建議就截至二零一五年及二零一四年六月三十日止六個月派付股息。

### 11 分部報告

本集團已確定下文載列的可呈報分部。為資源分配及表現評估目的而向本集團最高行政管理層，即主要經營決策者(「主要經營決策者」)內部申報的分部資料與簡明綜合中期財務報表內所申報者相同。

開採白雲石及生產鎂錠	此分部包括鎂錠貿易。目前，本集團的貿易活動主要在南美洲及馬來西亞進行。
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勘探鐵礦石、煤及錳	此分部在印尼從事勘探鐵礦石、煤及錳。在印尼的活動乃透過間接擁有的附屬公司進行。
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提取及裝瓶礦泉水	此分部在中國從事提取及裝瓶礦泉水。在中國的活動乃透過一間間接擁有的附屬公司進行。
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可呈報分部的會計政策與編製簡明綜合中期財務報表所採用者一致。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING *(continued)*

#### (a) Segment results, assets and liabilities

For the purpose of assessing segment performance and allocating resources between segments, the Group's CODM monitors the results, assets and liabilities attributable to each reportable segment on the following basis:

Segment assets included all non-current assets and current assets with the exception of assets classified as held for sale, pledged deposit, cash and cash equivalents and other corporate assets. Segment liabilities included non-current liabilities and current liabilities with the exception of liabilities associated with secured bank loans, convertible bonds, deferred tax liabilities, unsecured loans from third parties and other corporate liabilities.

Revenue and expenses are allocated to the reportable segments with reference to sales generated by those segments and the expenses incurred by those segments or which otherwise arise from depreciation or amortisation of assets attributable to those segments.

### 11 分部報告(續)

#### (a) 分部業績、資產及負債

為評估分部表現及在分部間分配資源，本集團的主要經營決策者按以下基準監控各可呈報分部應佔業績、資產及負債：

分部資產包括所有非流動資產及流動資產，惟不包括分類為持作待售資產、質押存款、現金及現金等價物以及其他公司資產。分部負債包括非流動負債及流動負債，惟不包括與有抵押銀行貸款、可換股債券、遞延稅項負債、來自第三方無抵押貸款及其他公司負債相關的負債。

收入及開支乃參考可呈報分部產生的銷售額及該等分部所承擔或該等分部應佔資產折舊或攤銷所產生的開支而分配至該等可呈報分部。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING (continued)

#### (a) Segment results, assets and liabilities (continued)

Segment loss represents loss resulted by each segment without allocation of central administration costs including interest on secured bank loans, convertible bonds and unsecured loans from third parties, and Directors' emoluments, etc. This is the measure reported to the Group's CODM for the purpose of resources allocation and assessment of segment performance.

### 11 分部報告(續)

#### (a) 分部業績、資產及負債(續)

分部虧損指各分部所導致而未分配中央行政成本(包括有抵押銀行貸款、可換股債券及來自第三方無抵押貸款的利息以及董事酬金等)的虧損。此乃就資源分配及分部表現評估而向本集團主要經營決策者報告的措施。

		Mining of dolomite and manufacture of magnesium ingots 開採白雲石 及生產鎂錠 HK\$ 港元	Exploration for iron ore, coal and manganese 勘探鐵礦石、 煤及錳 HK\$ 港元	Extraction and bottling of mineral water 提取及裝瓶 礦泉水 HK\$ 港元	Total 總計 HK\$ 港元
<b>Six months ended 30 June 2015</b>	<b>截至二零一五年六月三十日</b>				
<b>(Unaudited)</b>	<b>止六個月(未經審核)</b>				
Reportable segment revenue (Note)	可呈報分部收入(附註)	16,603,361	-	290,723	16,894,084
Segment loss	分部虧損	(2,365,898)	(211,077)	(4,030,476)	(6,607,451)
Interest income	利息收入	659	-	22	681
Finance costs	融資成本	(15,922,226)	-	(1,682)	(15,923,908)
Depreciation and amortisation	折舊及攤銷	(10,833,281)	(64,381)	(614,234)	(11,511,896)
<b>As at 30 June 2015</b>	<b>於二零一五年六月三十日</b>				
<b>(Unaudited)</b>	<b>(未經審核)</b>				
Segment assets	分部資產	204,055,840	22,637,602	30,702,605	257,396,047
Segment liabilities	分部負債	(4,765,569)	(1,552,239)	(11,083,231)	(17,401,039)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING (continued)

#### (a) Segment results, assets and liabilities (continued)

### 11 分部報告(續)

#### (a) 分部業績、資產及負債(續)

		Mining of dolomite and manufacture of magnesium ingots 開採白雲石 及生產鎂錠 HK\$ 港元	Exploration for iron ore, coal and manganese 勘探鐵礦石、 煤及錳 HK\$ 港元	Extraction and bottling of mineral water 提取及裝瓶 礦泉水 HK\$ 港元	Total 總計 HK\$ 港元
<b>Six months ended 30 June 2014</b> <b>(Unaudited)</b>	<b>截至二零一四年六月三十日</b> <b>止六個月(未經審核)</b>				
Reportable segment revenue (Note)	可呈報分部收入(附註)	27,291,957	–	534,168	27,826,125
Segment loss	分部虧損	(1,153,235)	(107,027)	(4,984,928)	(6,245,190)
Interest income	利息收入	3,264	–	38	3,302
Finance costs	融資成本	(17,967,645)	–	–	(17,967,645)
Depreciation and amortisation	折舊及攤銷	(12,023,008)	(79,250)	(518,971)	(12,621,229)
Impairment of	減值				
– exploration and evaluation assets	– 勘探及評估資產	–	(18,650,597)	(52,812,500)	(71,463,097)
– interest in leasehold land	– 租賃土地權益	(3,071,165)	–	–	(3,071,165)
– property, plant and equipment	– 物業、廠房及設備	(137,861,475)	–	–	(137,861,475)
Additions to segment non-current assets	分部非流動資產添置	–	–	6,004,810	6,004,810
<b>As at 31 December 2014</b> <b>(Audited)</b>	<b>於二零一四年十二月三十一日</b> <b>(經審核)</b>				
Segment assets	分部資產	236,346,968	22,851,138	31,395,923	290,594,029
Segment liabilities	分部負債	(9,676,922)	(1,683,527)	(9,139,508)	(20,499,957)

Note: Segment revenue reported above represents revenue generated from external customers. There were no inter-segment sales in the six months ended 30 June 2015 and 2014.

附註：上文所呈報分部收入指來自外部客戶的收入。截至二零一五年及二零一四年六月三十日止六個月並無分部間銷售。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING *(continued)*

#### (b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities

### 11 分部報告(續)

#### (b) 可呈報分部收入、損益、資產及 負債的對賬

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2015</b>	2014
		二零一五年	二零一四年
		<b>HK\$</b>	HK\$
		港元	港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
<b>Revenue</b>	<b>收入</b>		
Reportable segment revenue	可呈報分部收入	<b>16,894,084</b>	27,826,125
<b>Loss</b>	<b>虧損</b>		
Reportable segment loss	可呈報分部虧損	<b>(6,607,451)</b>	(6,245,190)
Depreciation and amortisation	折舊及攤銷	<b>(11,590,841)</b>	(12,704,239)
Finance costs	融資成本	<b>(28,139,223)</b>	(28,506,883)
Interest income	利息收入	<b>681</b>	3,308
Impairment of exploration and evaluation assets	勘探及評估資產減值	-	(71,463,097)
Impairment of leasehold land	租賃土地減值	-	(3,071,165)
Impairment of property, plant and equipment	物業、廠房及設備減值	-	(137,861,475)
Other unallocated amounts	其他未分配金額	<b>(5,190,313)</b>	5,390,445
Consolidated loss before taxation	除稅前綜合虧損	<b>(51,527,147)</b>	(254,458,296)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING (continued)

#### (b) Reconciliations of reportable segment revenue, profit or loss, assets and liabilities (continued)

### 11 分部報告(續)

#### (b) 可呈報分部收入、損益、資產及負債的對賬(續)

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
<b>Assets</b>	<b>資產</b>		
Reportable segment assets	可呈報分部資產	<b>257,396,047</b>	290,594,029
Unallocated corporate assets:	未分配公司資產：		
— Pledged deposit	— 質押存款	—	2,735
— Cash and cash equivalents	— 現金及現金等價物	<b>25,197,048</b>	378,935
— Others	— 其他	<b>4,671,389</b>	4,710,023
Consolidated total assets	綜合總資產	<b>287,264,484</b>	295,685,722
<b>Liabilities</b>	<b>負債</b>		
Reportable segment liabilities	可呈報分部負債	<b>(17,401,039)</b>	(20,499,957)
Unallocated corporate liabilities:	未分配公司負債：		
— Bank loans, secured	— 有抵押銀行貸款	<b>(426,586,227)</b>	(445,441,694)
— Convertible bonds	— 可換股債券	<b>(121,559,604)</b>	(101,130,267)
— Unsecured loans from third parties	— 來自第三方無抵押貸款	<b>(42,342,312)</b>	—
— Deferred tax liabilities	— 遞延稅項負債	<b>(8,568,647)</b>	(8,568,647)
— Others	— 其他	<b>(4,938,121)</b>	(19,098,144)
Consolidated total liabilities	綜合總負債	<b>(621,395,950)</b>	(594,738,709)

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING (continued)

#### (c) Geographical information

The following tables set out information about the geographical location of (i) the Group's revenue from external customers and (ii) the Group's property, plant and equipment, goodwill, exploration and evaluation assets and mining deposit ("specified non-current assets"). The geographical location of customers is based on the location at which the goods are delivered. The geographical location of the specific non-current assets is based on: (1) the physical location of the asset in case of property, plant and equipment; and (2) the location of the operations to which they are allocated, in case of intangible assets as goodwill.

### 11 分部報告(續)

#### (c) 地理資料

下表載列有關(i)本集團來自外部客戶的收入及(ii)本集團物業、廠房及設備、商譽、勘探及評估資產以及採礦按金(「指定非流動資產」)的地理位置資料。客戶的地理位置乃根據交付貨品所在地而定。指定非流動資產的地理位置乃以：(1)資產(倘屬物業、廠房及設備)所在地；及(2)獲分配資產(倘屬商譽的無形資產)業務所在地分類。

		South America 南美洲		Malaysia 馬來西亞		The PRC 中國		Total 總計	
		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月		Six months ended 30 June 截至六月三十日止六個月	
		2015	2014	2015	2014	2015	2014	2015	2014
		二零一五年	二零一四年	二零一五年	二零一四年	二零一五年	二零一四年	二零一五年	二零一四年
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元
		(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
		(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)	(未經審核)
Turnover	營業額	16,603,361	27,165,582	-	126,375	290,723	534,168	16,894,084	27,826,125

  

		Hong Kong 香港		Malaysia 馬來西亞		Indonesia 印尼		The PRC 中國		Total 總計	
		At	At	At	At	At	At	At	At	At	At
		30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
		於二零一五年	於二零一四年	於二零一五年	於二零一四年	於二零一五年	於二零一四年	於二零一五年	於二零一四年	於二零一五年	於二零一四年
		六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日	六月三十日	十二月三十一日
		HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元	港元	港元	港元	港元	港元	港元
		(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)	(Unaudited)	(Audited)
		(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)	(未經審核)	(經審核)
Specified non-current assets	指定非流動資產	990,437	4,624,245	204,936,011	229,226,226	22,255,774	22,430,281	30,238,560	30,850,732	258,420,782	287,131,484

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 11 SEGMENT REPORTING (continued)

#### (d) Information about major customers

Revenue from sales of goods to customers represents 10% or more of the Group's total revenue is shown as follows:

		Six months ended 30 June 截至六月三十日止六個月	
		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
Customer A	客戶 A	16,603,361	27,165,582

All revenue disclosed above is related to the "mining of dolomite and manufacture of magnesium ingots" reportable segment.

上文披露的所有收入與「開採白雲石及製造鎂錠」呈報分部有關。

### 12 PROPERTY, PLANT AND EQUIPMENT

During the six months ended 30 June 2015, no property, plant and equipment acquired by the Group (six months ended 30 June 2014 (unaudited): the Group acquired property, plant and equipment with a cost of HK\$6,011,630) and no assets were acquired under finance leases (six months ended 30 June 2014 (unaudited): nil).

No assets were written off during the six months ended 30 June 2015 and 2014.

During the six months ended 30 June 2015 and 2014, no assets were disposed.

### 11 分部報告(續)

#### (d) 有關主要客戶的資料

銷售貨品予客戶所得收入佔本集團總收入10%或以上者載列如下：

### 12 物業、廠房及設備

截至二零一五年六月三十日止六個月，本集團並無收購物業、廠房及設備(截至二零一四年六月三十日止六個月(未經審核)：本集團收購物業、廠房及設備的成本為6,011,630港元)，且並無根據融資租賃收購資產(截至二零一四年六月三十日止六個月(未經審核)：無)。

截至二零一五年及二零一四年六月三十日止六個月，並無資產已撤銷。

截至二零一五年及二零一四年六月三十日止六個月，並無資產獲出售。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 13 GOODWILL

### 13 商譽

		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Audited) (經審核)
<b>Cost:</b>	<b>成本：</b>		
At 1 January	於一月一日	252,803,090	332,328,997
Derecognised on disposal of subsidiaries (Note 26)	終止確認出售附屬公司 (附註26)	-	(79,525,907)
At 30 June/31 December	於六月三十日/ 十二月三十一日	252,803,090	252,803,090
<b>Accumulated impairment losses:</b>	<b>累計減值虧損：</b>		
At 1 January	於一月一日	252,803,090	332,328,997
Derecognised on disposal of subsidiaries (Note 26)	終止確認出售附屬公司 (附註26)	-	(79,525,907)
At 30 June/31 December	於六月三十日/ 十二月三十一日	252,803,090	252,803,090
<b>Carrying amount:</b>	<b>賬面值：</b>		
At 30 June/31 December	於六月三十日/ 十二月三十一日	-	-

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 14 EXPLORATION AND EVALUATION ASSETS

### 14 勘探及評估資產

		2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Audited) (經審核)
<b>Cost:</b>	<b>成本：</b>		
At 1 January	於一月一日	441,911,769	548,694,562
Disposal of subsidiaries (Note 26)	出售附屬公司(附註26)	-	(103,196,172)
Exchange adjustments	匯兌調整	(91,116)	(3,586,621)
At 30 June/31 December	於六月三十日/ 十二月三十一日	441,820,653	441,911,769
<b>Accumulated amortisation and impairment:</b>	<b>累計攤銷及減值：</b>		
At 1 January	於一月一日	400,251,369	396,924,262
Impairment loss	減值虧損	-	108,208,053
Disposal of subsidiaries (Note 26)	出售附屬公司(附註26)	-	(103,196,172)
Exchange adjustments	匯兌調整	-	(1,684,774)
At 30 June/31 December	於六月三十日/ 十二月三十一日	400,251,369	400,251,369
<b>Carrying amount:</b>	<b>賬面值：</b>		
At 30 June/31 December	於六月三十日/ 十二月三十一日	41,569,284	41,660,400

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 14 EXPLORATION AND EVALUATION ASSETS (continued)

- (a) CVMSB has undertaken various feasibility studies in relation to the mining and extraction of dolomite in Peninsula Malaysia since 2004. On 15 June 2006, CVMSB entered into an agreement (the “**Mining Agreement**”) with Majuperak Energy Resources Sdn. Bhd. (“**MERSB**”), a subsidiary of the Perak State Development Corporation, a shareholder of the Company. Pursuant to the Mining Agreement, CVMSB has been granted, at no initial cost, an exclusive right to mine and extract magnesium dolomite from the dolomite land for a period of 20 years, with an option to renew for a further period of 10 years. The Mining Agreement can be terminated early by the Group by giving one month’s written notice to MERSB. CVMSB is required to pay royalties to MERSB based on the volume of dolomite extracted, subject to a monthly minimum payment (“**initial minimum payment**”) (see note 27(b)). Due to suspension of its production plant since 2012, CVMSB did not extract any dolomite from the dolomite land during the six months ended 30 June 2015 and 2014.

Mining activities for this dolomite project had started in 2010 and the amortisation charge (if any) relating to the project for the period is included in “administrative expenses” (six months ended 30 June 2014: “administrative expenses”) in the condensed consolidated statement of profit or loss.

- (b) PTLM holds a production operation mining permit for manganese in an area of 195 hectares in the Jatimulyo Village, Girimulyo Subdistrict, Kulon Progo Regency, Daerah Istimewa Yogyakarta Province, Indonesia (“**Mining Area**”). The permit is used for mining activities including construction, mining, processing and refining or smelting as well as hauling and sales of manganese in the Mining Area. The production operation mining permit is valid for a period of 10 years from 24 February 2011 and is capable of being extended for two further terms of 10 years each at the maximum. PTLM has undertaken various feasibility studies in relation to the mining of and exploration for manganese in the Mining Area.

### 14 勘探及評估資產(續)

- (a) CVMSB自二零零四年起已就在馬來西亞半島開採及提取白雲石進行多項可行性研究。於二零零六年六月十五日，CVMSB與本公司股東霹靂州經濟發展機構(Perak State Development Corporation)的附屬公司Majuperak Energy Resources Sdn. Bhd. (“**MERSB**”)訂立協議(“**採礦協議**”)。根據採礦協議，CVMSB在毋須任何初期成本的情況下獲授於白雲石地塊開採及提取鎂質白雲石的專有權，為期20年，可選擇續期10年。本集團可向MERSB發出一個月書面通知提前終止採礦協議。CVMSB須根據所提取白雲石的數量按每月最低付款(“**首次最低付款**”)向MERSB支付專利權費(見附註27(b))。截至二零一五年及二零一四年六月三十日止六個月，由於CVMSB的生產廠房自二零一二年起暫停營運，故其並無從白雲石地塊開採任何白雲石。

本白雲石項目的開採活動自二零一零年已經開始，而有關期內項目的攤銷費用(如有)乃列入簡明綜合損益表的「行政開支」(截至二零一四年六月三十日止六個月：「行政開支」)內。

- (b) PTLM持有錳生產經營開採許可證，涉及面積195公頃，位於印尼Daerah Istimewa Yogyakarta省Kulon Progo Regency的Girimulyo分區Jatimulyo村(“**礦區**”)。許可證乃用作採礦活動，包括於礦區興建、採礦、選礦及精煉或冶煉以及運輸及銷售錳。生產經營採礦許可證有效期為二零一一年二月二十四日起計10年，最多可再續期兩次，每次10年。PTLM正進行有關在礦區開採及勘探錳的各種可行性研究。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 14 EXPLORATION AND EVALUATION ASSETS (continued)

(b) (continued)

No exploration activities were conducted in the mine as the Group lost contact with the legal representatives of PTLM in 2012. This brought to a halt to the daily operations and mining activities of PTLM and might impact the fulfillment of the obligations of PTLM in respect of its mining permit and any other government regulations it would be subject to. During six months ended 30 June 2015, re-nominating the legal representatives according to the relevant legal requirements of Indonesia was being undertaken. On 21 August 2014 and 13 October 2014 respectively, PTLM received warning letters from Trade and Energy Industries of Resource of Minerals Office Government of Kulon Progo Regency reminding PTLM to immediately implement its obligations as the holder of mining permit by submitting the tax form and reporting of PTLM's status to the relevant Indonesian authority with the legal representatives' signatures, not later than one month from the date of these letters. On 22 September 2014 and 4 November 2014 respectively, the management of the Company reiterated that it is currently undergoing management restructuring and therefore all activities are currently being suspended temporarily until the management restructuring is completed. Besides, once the management restructuring has been completed, PTLM will resume with investment and other mining activities. Due to previous failure in calling for extraordinary meetings for appointing new directors and legal representative to the board of PTLM, PTLM had applied to the Court in Yogyakarta for a court ruling on the appointment of re-nominated directors and replacement of legal representative. Nevertheless, the third hearing was further postponed by the court to 30 September 2014. On 19 November 2014, court judgement stipulated that the holding company of PTLM could organize an Extraordinary General Meeting of shareholders to undergo the re-nomination of the legal representative ("EGM"). The EGM and the re-nomination of the legal representative according to the relevant legal requirement of Indonesia are still in process as at the approval date of the condensed consolidated interim financial statements.

### 14 勘探及評估資產(續)

(b) (續)

於二零一二年，由於本集團與PTLM的法律代表失去聯絡，故並無於礦山進行勘探活動，令PTLM的日常營運及採礦活動陷入停滯狀態，並可能影響PTLM履行有關其開採許可證及任何其他其將須遵守的政府規例的責任。截至二零一五年六月三十日止六個月，已根據印尼相關法律規定重新提名法律代表。PTLM分別於二零一四年八月二十一日及二零一四年十月十三日接獲Trade and Energy Industries of Resource of Minerals Office Government of Kulon Progo Regency發出的警告函，提示PTLM不得遲於此等函件發出日期起計一個月向有關印尼當局提交附有法定代表署名的稅項表格及作出回報，即時履行其作為開採許可證持有人的責任。本公司管理層分別於二零一四年九月二十二日及二零一四年十一月四日重申，現正進行管理架構重組，因此所有活動現已暫時停止，直至管理架構重組完成為止。此外，管理架構重組一旦完成，PTLM將恢復投資及其他採礦活動。由於早前未能就PTLM董事會委任新董事及法律代表召開特別大會，故PTLM已就委任該等獲重新提名董事及替任法律代表而向Yogyakarta省法院申請法院裁決。然而，法院已將第三次聽證會進一步延期至二零一四年九月三十日。於二零一四年十一月十九日，法院判決訂明PTLM的控股公司可舉行股東特別大會(「股東特別大會」)以重新提名法律代表。於簡明綜合中期財務報表批准日期，根據印尼相關法律規定舉行的股東特別大會及重新提名法律代表的事宜仍在進行中。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 14 EXPLORATION AND EVALUATION ASSETS (continued)

- (c) Long Chuan holds a mineral water permit (礦泉水取水許可證) to extract maximum volume of water up to 33,000 meter cube per annum in relation to the Longchuan Spring (the “**Water Permit**”) from 1 March 2007 to 26 February 2015. The application for renewal of the Water Permit was submitted in December 2014 and has been renewed on 1 March 2015. Long Chuan had also been granted in prior years a mineral water extraction permit (礦泉水採礦許可證) with a right to extract mineral water in the stipulated mining area for a period from 23 December 2011 to 23 December 2021. Nonetheless, the statutory required mineral water registration certificate (礦泉水註冊登記證) (“**Water Registration Certificate**”) had expired on 31 December 2012 already and not yet been renewed up to the approval date of the condensed consolidated interim financial statements. The main reason was due to the change in approval procedures of the State Land Resources Bureau in Guangzhou since August 2012 whereas the approval power has been delegated to County Land Resources Bureau in Guangzhou who has no relevant experience of how to approve such licenses or registration certificates. This had caused a substantial delay in the renewal of the Water Registration Certificate. Long Chuan had submitted a renewal application of the Water Registration Certificate in December 2014 and had passed through to the intermediate stage of the renewal process because Long Chuan had received from County Land Resources Bureau in Guangzhou an acknowledgement of receipt in writing on 17 December 2014 of its renewal application being in process.

The Longchuan Spring is situated at Damiao Village, Longmu Town, Longchuan County, Heyuan City (河源市龍川縣龍母鎮大廟村), the PRC, with an aggregate mining area of approximately 0.3956 km<sup>2</sup>. It is well connected with the source of the East River (Dongjiang) which supplies fresh water to Hong Kong and parts of Guangdong Province. The Longchuan Spring is protected by a protection zone of 30 km in radius with no significant industrial pollution source within a radius of up to 50 km. Longchuan Spring contains seven of the eight prescribed minerals in sufficient quantity to quality, including free carbon dioxide.

### 14 勘探及評估資產(續)

- (c) 龍川持有礦泉水取水許可證(「取水許可證」)，二零零七年三月一日至二零一五年二月二十六日龍川泉最大提取水量為每年最多33,000立方米。重續取水許可證的申請已於二零一四年十二月提交，並已於二零一五年三月一日獲重續。龍川於過往年度亦獲授予礦泉水採礦許可證以於自二零一一年十二月二十三日起至二零一一年十二月二十三日止期間在指定開採區域抽取礦泉水。然而，所須的規定礦泉水註冊登記證(「水註冊登記證」)已於二零一二年十二月三十一日屆滿，且於簡明綜合中期財務報表批准日期尚未重續。主要原因乃由於自二零一二年八月起廣州市國土資源局的審批程序變動所致，據此，審批權已下放至廣州縣國土資源局，其並無審批有關許可證或註冊登記證的相關經驗，故導致重續水註冊登記證出現重大延誤。龍川已於二零一四年十二月提交水註冊登記證的重續申請，並已通過重續過程的中期階段，此乃由於龍川已於二零一四年十二月十七日接獲廣州縣國土資源局發出收到申請的書面確認，確認其重續申請正在進行中。

龍川泉位於中國河源市龍川縣龍母鎮大廟村，總開採面積約為0.3956平方公里，與東江水源相連，向香港及廣東省部份地區供應淡水。龍川泉保護區半徑綿延30公里，在長達50公里半徑範圍內無任何重大工業污染源。龍川泉含八種規定礦物中的七種(包括遊離二氧化碳)，從數量到質量均合乎要求。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 14 EXPLORATION AND EVALUATION ASSETS (continued)

(c) (continued)

According to the technical report prepared by 廣東省地質技術工程諮詢公司 (unofficially translated as Guangdong Province Geological Engineering Consulting Firm) in July 2003, the Longchuan Spring provides about 270,000 tons of minerals water annually and the water contains significant amounts of minerals including potassium, sodium, calcium, magnesium, lithium, strontium and zinc.

Taking into consideration the performance of the mine which recorded sustained operating losses and unable to generate positive cash flow from the date of acquisition in April 2012 to 30 June 2015, the business operated by Long Chuan is not commercially viable, as a result, the mineral water permit had not been reclassified to an intangible asset.

### 15 INVENTORIES

Inventories in the condensed consolidated statement of financial position comprise:

### 14 勘探及評估資產(續)

(c) (續)

根據廣東省地質技術工程諮詢公司於二零零三年七月編製的技術報告，龍川泉每年提供約270,000噸礦泉水，該礦泉水含大量礦物，包括鉀、鈉、鈣、鎂、鋰、銻及鋅。

經考慮持續錄得經營虧損及由二零一二年四月收購日至二零一五年六月三十日未能產生正面現金流量的礦區表現後，龍川經營的業務商業上屬不可行，因此，礦泉水許可證並無重新分類為無形資產。

### 15 存貨

簡明綜合財務狀況表中的存貨包括：

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Raw materials	原料	1,335,694	1,929,238
Work-in-progress	半成品	35,142	38,062
Finished goods	製成品	896,611	1,747,263
		<b>2,267,447</b>	<b>3,714,563</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 16 TRADE RECEIVABLES

### 16 應收賬款

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Trade receivables	241,332	2,854,282

All of the trade receivables are expected to be recovered within one year.

所有應收賬款預期將於一年內收回。

#### (a) Ageing analysis

An ageing analysis of trade receivables, based on the invoice date, is as follows:

#### (a) 賬齡分析

根據發票日期的應收賬款賬齡分析如下：

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Current, neither past due nor impaired	3,637	2,711,735
Less than 1 month past due	-	388
1 month to 2 months past due	-	9,237
More than 2 months but less than 12 months past due	92,552	29,907
Over 12 months past due	145,143	103,015
Amounts past due	237,695	142,547
Total	241,332	2,854,282

Trade receivables derived from sales of magnesium ingots are due within 14 days from the date of the bill of lading for exports sales or date of invoice for local sales. Other than that, the Group has a policy of allowing customers for domestic trading and distribution in the PRC, with credit terms of normally cash on delivery.

來自銷售鎂錠的應收賬款自出口銷售的提單日期或本地銷售的發票日期起計14日內到期。除此以外，本集團的政策可向於中國本地買賣及分銷的客戶提供信貸期，或一般以貨到付款形式進行交易。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 16 TRADE RECEIVABLES (continued)

#### (a) Ageing analysis (continued)

Receivables that were neither past due nor impaired related to independent customers that have a good track record with the Group. Based on past experience, the Directors of the Company believed that no impairment allowance was necessary in respect of these balances as there had not been a significant change in credit quality and the balances were still considered fully recoverable. The Group does not hold any collateral over these balances.

- (b) At 30 June 2015, none of trade receivables (unaudited) (31 December 2014 (audited): nil) were pledged as security for banking facilities granted to the Group.

### 16 應收賬款(續)

#### (a) 賬齡分析(續)

並無逾期或減值之應收賬款與本集團有良好往績記錄之獨立客戶有關。根據過往經驗，本公司董事相信，對此等結餘毋須作出減值撥備，原因為信貸質素並無重大變動，且有關結餘仍被視為可全數收回。本集團並無就此等結餘持有任何抵押品。

- (b) 於二零一五年六月三十日，並無應收賬款(未經審核)(二零一四年十二月三十一日(經審核):無)已予質押，作為取得授予本集團銀行融資的抵押品。

### 17 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES

### 17 預付款項、按金及其他應收款項

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Other receivables	其他應收款項	51,940	42,487
Advance payment to a contractor (Note 17(a))	向一名承包商墊款 (附註 17(a))	13,767,479	14,911,170
Prepayments for raw materials and machinery (Note 17(b))	原料及機器的預付款項 (附註 17(b))	625,470	677,430
Deposits and prepayments	按金及預付款項	1,085,935	1,524,845
		<b>15,530,824</b>	17,155,932
Less: Impairment losses:	減：減值虧損：		
— advance payment to a contractor (Note 17(a))	— 向一名承包商墊款 (附註 17(a))	(13,767,479)	(14,911,170)
— prepayments for raw materials and machinery (Note 17(b))	— 原料及機器的預付款項 (附註 17(b))	(625,470)	(677,430)
		<b>1,137,875</b>	1,567,332

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 17 PREPAYMENTS, DEPOSITS AND OTHER RECEIVABLES *(continued)*

Apart from certain of the Group's deposits and prepayments of HK\$450,584 as at 30 June 2015 (unaudited) (31 December 2014 (audited): HK\$637,851), and of the Company's deposits and prepayments of HK\$64,500 (unaudited) (31 December 2014 (audited): HK\$64,500), the remaining prepayments, deposits and other receivables of the Group are expected to be recovered or recognised as expenses within one year.

- (a) In prior years, the Group advanced a total of HK\$13,767,479 (unaudited) (31 December 2014 (audited): HK\$14,911,170) to a contractor for ratification works in the production plant of magnesium ingots in Malaysia. This contractor was put under creditor's winding up in 2012. The Group's management assessed the recoverability of these advances was remote and had made a full provision against them since 31 December 2014.
- (b) In prior years, the Group has made prepayments of HK\$625,470 (unaudited) (31 December 2014 (audited): HK\$677,430) to an entity for purchase of raw materials and machinery. No goods and/or machinery have been received by the Group from that entity in settlement of the prepayments made. The Group's management assessed the recoverability of these prepayments was remote after suspension of the production plant in Malaysia, and thus a full provision against them has been made since 31 December 2014.

### 18 PLEDGED DEPOSIT

The Group's deposit of HK\$nil (unaudited) (31 December 2014 (audited): HK\$2,735) is pledged to a bank for loan facilities granted to the Group.

### 17 預付款項、按金及其他應收款項(續)

除本集團於二零一五年六月三十日的若干按金及預付款項450,584港元(未經審核)(二零一四年十二月三十一日(經審核): 637,851港元)以及本公司存款及預付款項64,500港元(未經審核)(二零一四年十二月三十一日(經審核): 64,500港元)外,預期本集團的其餘預付款項、按金及其他應收款項將於一年內收回或確認為開支。

- (a) 於過往年度,本集團就馬來西亞的鎂錠生產廠房的認可工程向一名承包商墊付合共13,767,479港元(未經審核)(二零一四年十二月三十一日(經審核): 14,911,170港元)。該名承包商於二零一二年被債權人清盤。本集團管理層評定收回此等墊款的機會甚微,並已自二零一四年十二月三十一日起作出全數撥備。
- (b) 於過往年度,本集團就購買原料及機器向一間實體支付預付款項625,470港元(未經審核)(二零一四年十二月三十一日(經審核): 677,430港元)。本集團並無接獲該實體就償付所支付的預付款項的任何貨品及/或機器。本集團管理層評定於馬來西亞的生產廠房暫停營運後收回此等預付款項的機會甚微,故已自二零一四年十二月三十一日起作出全數撥備。

### 18 質押存款

本集團並無存款(未經審核)(二零一四年十二月三十一日(經審核): 2,735港元)已就本集團獲授的銀行貸款融資而質押予銀行。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 19 TRADE AND OTHER PAYABLES

### 19 應付賬款及其他應付款項

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Trade payables	應付賬款	55,566	2,831,490
Accrued interest on bank loans	銀行貸款應計利息	74,275,582	64,049,521
Accrued interest on unsecured loans from third parties	來自第三方無抵押貸款 應計利息	142,312	-
Accrued interest on convertible bonds	可換股債券應計利息	18,820,664	6,852,144
Accrued salaries	應計薪金	3,143,169	2,800,027
Other payables and accrued expenses	其他應付款項及應計開支	16,046,455	28,575,686
		<b>112,483,748</b>	<b>105,108,868</b>

All of the above payables are expected to be settled or recognised as income within one year, or are repayable on demand.

預期上述所有應付款項將於一年內結清或確認為收入，或須於要求時償還。

An ageing analysis of trade payables, based on the invoice date, is as follows:

根據發票日期的應付賬款賬齡分析如下：

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Current	即期	-	2,701,050
Due within 3 months	三個月內到期	-	-
Due after 3 months but within 12 months	三個月後但十二個月內到期	-	32,983
Over 12 months	超過十二個月	55,566	97,457
		<b>55,566</b>	<b>2,831,490</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 20 OBLIGATIONS UNDER FINANCE LEASES

At 30 June 2015, the Group had obligations under finance leases repayable as follows:

### 20 融資租賃承擔

於二零一五年六月三十日，本集團的應償還融資租賃承擔如下：

		At 30 June 2015		At 31 December 2014	
		於二零一五年六月三十日		於二零一四年十二月三十一日	
		Present	Total	Present	Total
		value of	minimum	value of	minimum
		the minimum	lease	the minimum	lease
		lease	payments	lease	payments
		payments	payments	payments	payments
		最低租賃	最低租賃	最低租賃	最低租賃
		付款現值	付款總值	付款現值	付款總值
		HK\$	HK\$	HK\$	HK\$
		港元	港元	港元	港元
		(Unaudited)	(Unaudited)	(Audited)	(Audited)
		(未經審核)	(未經審核)	(經審核)	(經審核)
Within 1 year	一年內	284,177	297,514	315,456	336,972
After 1 year but within 2 years	一年後但兩年內	114,114	117,805	197,272	205,234
After 2 years but within 5 years	兩年後但五年內	-	-	62,758	64,193
		114,114	117,805	260,030	269,427
		398,291	415,319	575,486	606,399
Less: total future interest expenses	減：未來利息開支總額		(17,028)		(30,913)
Present value of lease obligations	租賃承擔現值		398,291		575,486

The policies of the Group are to lease certain of its motor vehicles under finance leases expiring in 2 years (31 December 2014: 3 years). As at 30 June 2015, the effective borrowing rate of the Group was in a range from 1.8% p.a. to 3.68% p.a. (31 December 2014: 1.8% p.a. to 3.68% p.a.). Interest rates are fixed at the contract dates and thus expose the Group to fair value interest rate risk. All leases are on a fixed repayment basis and no arrangements have been entered into for contingent rental payments. At the end of each lease term, the Group has an option to purchase the motor vehicles at nominal prices.

本集團的政策是根據融資租賃出租其若干汽車年期為二年(二零一四年十二月三十一日：三年)。於二零一五年六月三十日，本集團實際借貸年利率為介乎1.8%至3.68%(二零一四年十二月三十一日：介乎1.8%至3.68%)。利率按合約日期釐定，因此，本集團承受公平值利率風險。所有租約按固定還款基準釐定，且並無就或然租賃付款訂立安排。於各租賃期末，本集團可選擇按名義價格購買汽車。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 21 AMOUNTS DUE FROM/(TO) RELATED PARTIES AND A DIRECTOR

### 21 應收/(付)關連方及一名董事款項

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Trading account	貿易賬戶	<b>(2,525,173)</b>	(2,347,241)
Current account	往來賬戶	<b>(60,797)</b>	(2,153,329)
		<b>(2,585,970)</b>	(4,500,570)
Classified as:	分類為：		
Amount due from a related party	應收一名關連方款項	-	36,391
Amount due to a director	應付一名董事款項	<b>(347)</b>	(138,000)
Amounts due to related parties	應付關連方款項	<b>(2,585,623)</b>	(4,398,961)
		<b>(2,585,970)</b>	(4,536,961)
Total	總計	<b>(2,585,970)</b>	(4,500,570)

The amounts are unsecured, interest-free and have no fixed terms of repayment.

該等款項為無抵押、免息且無固定還款期。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 21 AMOUNTS DUE FROM/(TO) RELATED PARTIES AND A DIRECTOR (continued)

An amount due from a related party disclosed pursuant to section 78 of Schedule 11 to the Hong Kong Companies Ordinance is as follows:

### 21 應收/(付)關連方及一名董事款項(續)

根據香港公司條例附表 11 第 78 條披露的應收一名關連方款項如下：

Name	Term of loan	Balance at 30 June 2015 於二零一五年 六月三十日 的結餘 HK\$ 港元 (Unaudited) (未經審核)	Balance at 1 January 2015 於二零一五年 一月一日 的結餘 HK\$ 港元 (Audited) (經審核)	Maximum amount outstanding during the period 期內 尚未償還 最高金額 HK\$ 港元
名稱	貸款條款			
HWG Tin Mining Sdn. Bhd. ("HWGTM")	Interest-free, unsecured and had no fixed terms of repayment			
HWG Tin Mining Sdn. Bhd. ("HWGTM")	免息、無抵押且 無固定還款期	-	36,391	36,391

HWGTM is a subsidiary of Ho Wah Genting Berhad which is a shareholder of the Company.

HWGTM 為本公司股東 Ho Wah Genting Berhad 的附屬公司。

### 22 BANK LOANS – SECURED

### 22 有抵押銀行貸款

		At 30 June 2015 於二零一五年六月三十日			At 31 December 2014 於二零一四年十二月三十一日		
		Nominal value	Less: unamortised costs	Total	Nominal value	Less: unamortised costs	Total
		HK\$ 港元	減： HK\$ 港元	總計 HK\$ 港元	HK\$ 港元	減： HK\$ 港元	總計 HK\$ 港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (經審核)	(Audited) (經審核)	(Audited) (經審核)
Bank loans, secured	有抵押銀行貸款	353,820,277	(1,509,632)	352,310,645	383,212,795	(1,820,622)	381,392,173

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 22 BANK LOANS — SECURED (continued)

At 30 June 2015, interest bearing bank loans are due for repayment as follows:

### 22 有抵押銀行貸款(續)

於二零一五年六月三十日，計息銀行貸款於以下期間到期償還：

		At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Within 1 year	一年內	<b>352,310,645</b>	381,392,173
<b>Transaction costs</b>			
Cost:	交易成本 成本：		
At 1 January	於一月一日	<b>8,699,851</b>	9,277,771
Exchange adjustments	匯兌調整	<b>(593,837)</b>	(577,920)
At 30 June/31 December	於六月三十日/ 十二月三十一日	<b>8,106,014</b>	8,699,851
<b>Accumulated amortisation:</b>			
At 1 January	於一月一日	<b>6,879,229</b>	6,940,385
Amortisation for the period/year (Note 7(a))	期/年內攤銷(附註7(a))	<b>178,104</b>	372,904
Exchange adjustments	匯兌調整	<b>(460,951)</b>	(434,060)
At 30 June/31 December	於六月三十日/ 十二月三十一日	<b>6,596,382</b>	6,879,229
Unamortised transaction costs	未攤銷交易成本	<b>1,509,632</b>	1,820,622

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 22 BANK LOANS — SECURED (continued)

The secured bank loans as at 30 June 2015 are interest bearing at 8.6% p.a. (unaudited) (31 December 2014 (audited): 8.6% p.a.). These bank loans were restructured on 25 July 2011 by Bank Rakyat. In accordance with the restructured bank loan agreement, the Group was required to repay the bank loans by monthly instalment of RM670,000 (equivalent to HK\$1,373,000) with effect from August 2011 to December 2013 and increasing to RM4,200,000 (equivalent to HK\$8,608,000) from January 2014 to the second last repayment of the loans in 2018.

The bank loans are granted to CVMSB and secured by way of:

- (i) a legal charge over the land and factory building to be erected thereon held by CVMSB;
- (ii) assignment of trade receivables;
- (iii) a debenture creating fixed and floating legal charge over all present and future assets of CVMSB excluding the performance bonds;
- (iv) assignment of all CVMSB's rights, entitlement and interest in and to all building contracts, design drawings and other contracts pertaining to the magnesium ingot project (the "Project");
- (v) an assignment of all CVMSB's rights, benefits and interest under insurance undertaken by CVMSB as part of its operations for the Project;
- (vi) an assignment over the existing revenue accounts maintained at Bank Rakyat and monies standing to the credit of the revenue account in favour of the bank, the revenue accounts shall be operated solely by the bank;
- (vii) a first fixed charge/assignment over the retorts of CVMSB;
- (viii) an assignment over the insurance policies of the retorts of CVMSB; and
- (ix) corporate guarantee by Ding He Mining Holding Limited (note 28(a)).

All of the Group's banking facilities are subject to the fulfillment of covenants, as are commonly found in lending arrangements with financial institutions. If the Group was to breach the covenants, the drawn down facilities would become payable on demand. The Group is required to comply with the covenants when CVMSB's production operation commences, which was in or around February 2011.

### 22 有抵押銀行貸款(續)

於二零一五年六月三十日的有抵押銀行貸款按年利率8.6%(未經審核)(二零一四年十二月三十一日(經審核): 8.6%)計息。此等銀行貸款於二零一一年七月二十五日由Bank Rakyat進行重組。根據重組銀行貸款協議,本集團須自二零一一年八月起至二零一三年十二月每月分期償還銀行貸款670,000馬幣(相當於1,373,000港元),並自二零一四年一月起至二零一八年的最後第二期貸款還款之日增至4,200,000馬幣(相當於8,608,000港元)。

授予CVMSB的銀行貸款按以下方式作出擔保:

- (i) 就CVMSB所持土地及在其上興建的廠房設立法定押記;
- (ii) 轉讓應收賬款;
- (iii) 就CVMSB所有現有及未來資產(不包括履約保證)設立固定及浮動法定押記的債券;
- (iv) 轉讓CVMSB於與鎂錠項目(「該項目」)有關的所有樓宇合約、設計圖則及其他合約的一切權利、享有權及權益;
- (v) 轉讓CVMSB作為其於該項目業務一部份所承購保險的一切權利、利益及權益;
- (vi) 向銀行轉讓在Bank Rakyat開設的現有收入戶及該收入戶的進賬款項,收入戶僅由銀行操作;
- (vii) 就CVMSB的還原權設立的第一固定押記/轉讓;
- (viii) 轉讓CVMSB的還原權的保單;及
- (ix) 鼎和礦業控股有限公司作出的公司擔保(附註28(a))。

本集團須履行契諾(通常見於與財務機構訂立的借款安排內)方可獲得各銀行融資。倘本集團違反該等契諾,則須按要求償還已提用的信貸額度。本集團於CVMSB開始生產營運時(二零一一年二月或前後)須遵守該等契諾。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 22 BANK LOANS — SECURED (continued)

During the year ended 31 December 2013, the Group defaulted on the repayments of bank loans since November 2013 and breached one of the covenants of the banking facilities. Upon discovery of the breach, the Directors of the Company commenced a negotiation of the terms of the loans with Bank Rakyat. These negotiations have concluded on 24 February 2014 whereby Bank Rakyat agreed to extend a one year grace period without executing legal proceeding against the Company and CVMSB until 31 December 2014. CVMSB is required to repay monthly instalment of RM670,000 (equivalent to HK\$1,586,032) for the year ended 31 December 2014.

On 15 December 2014, the Group has accepted the restructuring proposal discussed and offered by Bank Rakyat in respect of the outstanding loans owing by CVMSB (the “**Proposal**”). Pursuant to the Proposal, the full and final settlement sum by CVMSB shall be reduced to RM113,040,000 (equivalent to approximately HK\$258,850,469) which is repayable to Bank Rakyat on or before 30 June 2015, in which (i) an amount of RM4,020,000 (equivalent to approximately HK\$9,205,404) must be settled to Bank Rakyat on or before 31 December 2014; (ii) a monthly sum of RM200,000 (equivalent to approximately HK\$457,980) shall be repayable to Bank Rakyat on the last day of each calendar month commencing from January 2015 to June 2015 and the final instalment of RM2,820,000 (equivalent to approximately HK\$6,457,522) will be paid as bullet payment latest by 30 June 2015; and (iii) a full and final settlement sum of RM105,000,000 (equivalent to approximately HK\$240,439,661) be repayable by CVMSB to Bank Rakyat on 30 June 2015.

During the year ended 31 December 2014 and due to continued negative cashflows, the Group defaulted on the repayments of bank loans of RM4,020,000 (equivalent to approximately HK\$9,205,404) and breached one of the covenants of the banking facilities. Upon discovery of the breach, the Directors of the Company commenced a negotiation of the terms of the loans with Bank Rakyat. These negotiations have concluded on 12 January 2015 whereby Bank Rakyat has agreed to defer the repayment by CVMSB of the bank loan amounting at RM4,020,000 (equivalent to approximately HK\$9,205,404) to 16 January 2015, which was originally repayable on or before 31 December 2014. According to Bank Rakyat, such deferral is final and Bank Rakyat shall not allow any further delay and/or failure on the part of CVMSB to meet its payment obligation.

### 22 有抵押銀行貸款(續)

於截至二零一三年十二月三十一日止年度，本集團自二零一三年十一月起未能償還銀行貸款及違反其中一份銀行融資契諾。發現有關違約後，本公司董事開始與Bank Rakyat磋商貸款的條款。此等磋商已於二零一四年二月二十四日結束，Bank Rakyat同意延長一年寬限期直至二零一四年十二月三十一日而不會對本公司及CVMSB提出法律訴訟。截至二零一四年十二月三十一日止年度，CVMSB須償還每月分期還款670,000馬幣(相當於1,586,032港元)。

於二零一四年十二月十五日，本集團已經接受Bank Rakyat就CVMSB結欠的未償還貸款所討論及提出的重組提案(「**該提案**」)。根據該提案，CVMSB的全部和最終的還款金額減少至113,040,000馬幣(相等於約258,850,469港元)，並將於二零一五年六月三十日或之前償還予Bank Rakyat，其中(i)4,020,000馬幣(相等於約9,205,404港元)必須於二零一四年十二月三十一日或之前償還予Bank Rakyat；(ii)自二零一五年一月至二零一五年六月每個曆月的最後一日向Bank Rakyat每月還款200,000馬幣(相當於約457,980港元)，及最後一期還款為2,820,000馬幣(相當於約6,457,522港元)將以期末整付形式最遲在二零一五年六月三十日支付；及(iii)CVMSB將於二零一五年六月三十日向Bank Rakyat償還全部和最終的還款金額105,000,000馬幣(相等於約240,439,661港元)。

截至二零一四年十二月三十一日止年度，由於持續出現負現金流量，故本集團未能償還銀行貸款4,020,000馬幣(相當於約9,205,404港元)及違反其中一份銀行融資契諾。發現有關違約後，本公司董事開始與Bank Rakyat重新磋商貸款的條款。此等磋商已於二零一五年一月十二日結束，Bank Rakyat已同意CVMSB延遲至二零一五年一月十六日償還該筆原定應於二零一四年十二月三十一日或之前償付總金額為4,020,000馬幣(相當於約9,205,404港元)之銀行貸款。根據Bank Rakyat，是次延期乃屬最終延期，Bank Rakyat不允許任何額外延誤及/或CVMSB不履行其還款義務。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 22 BANK LOANS — SECURED (continued)

The Company received a letter dated 17 March 2015 issued by Bank Rakyat indicating that the continued failure to fulfil the repayment obligations as set out in the Proposal constituted a breach of terms and therefore the above Proposal was terminated and/or allowed to be terminated. Accordingly, the total amount owed and repayable to Bank Rakyat was restored to RM203,141,864 (equivalent to approximately HK\$465,174,866) as at 28 February 2015 (the “**Outstanding Loan**”) which was required to be settled within 14 days from the date of that letter. According to Bank Rakyat, legal actions will be commenced against CVMSB including all its corporate guarantors if CVMSB failed, neglected or refused to settle the Outstanding Loan within the given period.

On 26 June 2015, the Group further accepted a new restructuring proposal (the “**Bank Letter**”) offered by Bank Rakyat. Pursuant to which, the total amount owed and repayable to Bank Rakyat by CVMSB agreed to be reduced to RM113,040,000 (equivalent to approximately HK\$258,850,469) by means of cash settlements of RM68,040,000 (equivalent to approximately HK\$155,804,900) and redemption of charged properties for RM45,000,000 (equivalent to approximately HK\$103,045,569). The first cash repayment of RM11,300,000 (equivalent to approximately HK\$25,875,887) was already settled by the Group on 2 July 2015 within 7 working days from the date of Bank Letter and the remaining balance of RM56,740,000 (equivalent to approximately HK\$129,929,013) shall be paid within three months from July to September 2015. Upon full repayment of the cash settlements to Bank Rakyat, CVMSB shall be entitled to redeem the charged properties for RM45,000,000 (equivalent to approximately HK\$103,045,569). The redemption shall take place within six months from the date of that Bank Letter and at the discretion of Bank Rakyat, extend for further six months if there is a proof of sale provided by CVMSB. An additional charge calculated at a rate of 3.85% per annum shall be imposed on the outstanding balance of RM45,000,000 (equivalent to approximately HK\$103,045,569) after full repayment of the above cash settlements and until full redemption payment of the charged properties. Any breach of the above mentioned terms and conditions shall constitute an event of default and this new restructuring proposal shall be terminated and Bank Rakyat has the right to proceed with legal actions against CVMSB and the Company.

### 22 有抵押銀行貸款(續)

本公司接獲Bank Rakyat發出日期為二零一五年三月十七日的函件，指出本公司因持續未能履行該提案所載的償還責任而違反條款，故此，該提案經已終止及／或可被終止。因此，於二零一五年二月二十八日所結欠及應償還予Bank Rakyat的總金額回復至203,141,864馬幣(相當於約465,174,866港元)(「未償還貸款」)，並須於該函件日期起計14日內償付。根據Bank Rakyat，倘CVMSB於上述期間內未能、忘記或拒絕償還未償還貸款，其將會向CVMSB(包括所有公司擔保人)提出法律訴訟。

本集團進一步於二零一五年六月二十六日接納Bank Rakyat提出的新重組提案(「銀行函件」)。據此，CVMSB所結欠及應償還予Bank Rakyat的總金額經協定後減少至113,040,000馬幣(相當於約258,850,469港元)，將以現金償付68,040,000馬幣(相當於約155,804,900港元)及贖回已押記物業45,000,000馬幣(相當於約103,045,569港元)的方式償還。本集團已於二零一五年七月二日(即銀行函件日期起計7個工作天內)償付首筆現金還款11,300,000馬幣(相當於約25,875,887港元)，而餘額56,740,000馬幣(相當於約129,929,013港元)則須於二零一五年七月至九月的三個月內支付。待向Bank Rakyat償清現金結算款後，CVMSB將有權贖回45,000,000馬幣(相當於約103,045,569港元)的已押記物業。有關贖回將自該銀行函件日期起計六個月內進行，而倘CVMSB提供有關銷售憑證，則Bank Rakyat可酌情再延長六個月。於償清上述現金結算款後，須按年息3.85%就未償還餘額45,000,000馬幣(相當於約103,045,569港元)加收費用，直至付清贖回已押記物業款項為止。如違反任何上述條款及條件將構成違約事件，此新重組提案將告終止，而Bank Rakyat有權對CVMSB及本公司提出法律訴訟。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 23 UNSECURED LOANS FROM THIRD PARTIES

### 23 來自第三方無抵押貸款

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Within 1 year	42,200,000	-

The amounts due are based on the scheduled repayment dates as set out in the loan agreements which do not contain a repayment on demand clause.

During the period, the Company borrowed unsecured loans totaling HK\$42,200,000 from independent third parties. The average effective interest rate of these loans is 18% p.a.. All of these loans were fully repaid subsequent to the period ended 30 June 2015.

For the year ended 31 December 2014, the unsecured loans from third parties brought forward of HK\$150,000,000 were settled by way of loan capitalisation. The cause and effect are set out as follows:

On 13 June 2011, the Company entered into a loan agreement with an independent third party for an unsecured loan of HK\$50,000,000 at an interest rate of 12% p.a. payable half yearly. The loan is wholly repayable on or before June 2014.

On 12 February 2014, the Company successfully negotiated with the lender with written confirmation to defer the repayment by a year to 12 June 2015 and to charge interest rate at 12% p.a. payable half-yearly with effect on 13 June 2014.

到期款項乃以並無隨時要求償還條款的貸款協議所載訂定還款日期為準。

期內，本公司向獨立第三方借入合共42,200,000港元的無抵押貸款。此等貸款的平均實際年利率為18%。所有此等貸款於截至二零一五年六月三十日止期間後已悉數償還。

截至二零一四年十二月三十一日止年度，所結轉的來自第三方無抵押貸款150,000,000港元乃以貸款資本化方式償付，因果關係載列如下：

於二零一一年六月十三日，本公司與一名獨立第三方就50,000,000港元的無抵押貸款訂立貸款協議，年利率為12%，利息須每半年支付。貸款須於二零一四年六月或之前悉數償還。

於二零一四年二月十二日，本公司已成功與貸款人進行磋商並書面確認，將還款期推遲一年至二零一五年六月十二日，並自二零一四年六月十三日起按年利率12%計息，利息須每半年支付。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 23 UNSECURED LOANS FROM THIRD PARTIES *(continued)*

On 14 October 2011, the Company entered into loan agreements with four holders of convertible bonds, pursuant to which the holders of convertible bonds agreed to make available to the Company with aggregate loan facilities of HK\$100,000,000. The Company applied these loans for repayment of the outstanding convertible bonds issued by the Company in September 2010 in the principal sum of respective amount and registered in the name of the lenders. The unsecured loans are recognised initially at fair value less attributable transaction costs. In the opinion of the Directors of the Company, the principal value of the unsecured loans is approximate to its fair value. These loans are unsecured, interest bearing at 15% p.a. payable half yearly and repayable within 12 months from the respective drawdown date.

In March 2012, the Company successfully negotiated with these four lenders in writing to defer the repayment by six months and eighteen days to May 2013 and to charge interest at 18% p.a. payable half-yearly with effect from October 2012.

In March 2013, the Company has successfully negotiated with these four lenders in writing to defer the repayment by a year to April 2014 and to charge interest rate at 18% p.a. payable half-yearly.

On 30 January 2014, the Company further successfully negotiated with these four lenders to defer the repayment by a year to 30 April 2015 and to charge interest rate at 18% p.a. payable half-yearly with effect on 1 May 2014.

On 21 March 2014, the Company negotiated with all of the above five lenders (collectively known as the “Lenders”) and entered into capitalisation agreements respectively in relation to, among others, the set-off of each of the Lenders’ outstanding principal sum and unpaid interests by way of (i) the issue and allotment of capitalisation shares; and (ii) the issue of convertible preference shares (“CPS”) (the “Loan Capitalisation”).

### 23 來自第三方無抵押貸款(續)

於二零一一年十月十四日，本公司與四名可換股債券持有人訂立貸款協議，據此，可換股債券持有人同意向本公司提供合共100,000,000港元的貸款融資。本公司運用此等貸款償還本公司於二零一零年九月發行本金總額為相應金額並以貸款人名義登記的可換股債券的未償還款項。無抵押貸款初步按公平值減應佔交易成本確認。本公司董事認為，無抵押貸款的本金額與其公平值相若。此等貸款為無抵押，按年利率15%計息，利息須每半年支付，並須於自提取當日起計12個月內還款。

於二零一二年三月，本公司已成功與該四名貸款人進行書面磋商，將還款期推遲六個月零十八日至二零一三年五月，並自二零一二年十月起按年利率18%計息，利息須每半年支付。

於二零一三年三月，本公司已成功與該四名貸款人進行書面磋商，將還款期推遲一年至二零一四年四月，並按年利率18%計息，利息須每半年支付。

於二零一四年一月三十日，本公司已成功進一步與該四名貸款人進行磋商，將還款期推遲一年至二零一五年四月三十日，並自二零一四年五月一日起按年利率18%計息，利息須每半年支付。

於二零一四年三月二十一日，本公司與上述全部五名貸款人(統稱「貸款人」)磋商並分別訂立資本化協議，內容有關(其中包括)透過(i)發行及配發資本化股份；及(ii)發行可轉換優先股(「可轉換優先股」)的方式，抵銷各名貸款人的未償還本金及未支付利息(「貸款資本化」)。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 23 UNSECURED LOANS FROM THIRD PARTIES *(continued)*

On 12 August 2014, the Company entered into a deed of waiver with each of the Lenders, of which the Lenders (i) confirm that they will waive all their rights in the unpaid interest accrued on the outstanding principal sum from 21 March 2014 to the date of completion of the Loan Capitalisation; and (ii) confirm and agree to release, acquit and discharge the Company from any and all liability of any nature whatsoever and from any and all claims, demands, causes of action or liens of any nature whatsoever arising out of or in connection with Lenders' outstanding principal sum and unpaid interests as at 21 March 2014.

The Loan Capitalisation was eventually completed on 14 August 2014, of which an aggregate of 565,631,172 ordinary shares and an aggregate of 565,631,177 CPS were allotted and issued to the Lenders. On 10 April 2015, the holders of CPS converted 565,631,177 CPS at a total nominal value of HK\$90,500,988 into 565,631,177 ordinary shares of the Company, and the CPS have been fully converted as of 30 June 2015.

### 24 CONVERTIBLE BONDS

(a) On 1 September 2011, the Company entered into a placing agreement with a placing agent, Cheong Lee Securities Limited for the issue of convertible bonds with maturity date on the third anniversary of the date of issue for an aggregate principal amount of HK\$80,000,000. The convertible bonds bear interest at 10% p.a. payable annually and are unsecured. As at the end of the reporting period, the aggregate amount of convertible bonds being available was HK\$77,000,000 (unaudited) (31 December 2014 (audited): HK\$80,000,000).

The bondholders at any time before maturity can convert the whole or part of the principal amount of the convertible bonds into ordinary shares of the Company at the conversion price of HK\$0.10 per conversion share. As a result of the said share consolidation, the conversion price of outstanding convertible bonds of the Company was adjusted from HK\$0.10 per share to HK\$0.40 per share with effect on 29 July 2013.

Upon maturity any unredeemed and unconverted bonds will be redeemed at par value of the outstanding principal amount in cash.

### 23 來自第三方無抵押貸款(續)

於二零一四年八月十二日，本公司與各名貸款人訂立豁免契據，據此，貸款人(i)確認彼等將於二零一四年三月二十一日至貸款資本化完成日期豁免其於未償還本金累計的未支付利息的所有權利；及(ii)確認及同意解除、釋除及免除本公司源於或涉及貸款人於二零一四年三月二十一日的未償還本金及未支付利息的任何及全部任何性質的債務，以及任何及全部任何性質的索償、要求、請求權或留置權。

貸款資本化最終已於二零一四年八月十四日完成，並已向貸款人配發及發行合共565,631,172股普通股及合共565,631,177股可轉換優先股。於二零一五年四月十日，可轉換優先股持有人已轉換565,631,177股總面值為90,500,988港元的可轉換優先股為565,631,177股本公司普通股，而可轉換優先股已於二零一五年六月三十日悉數轉換。

### 24 可換股債券

(a) 於二零一一年九月一日，本公司與配售代理昌利證券有限公司訂立配售協議，內容有關發行本金額合共80,000,000港元的可換股債券，可換股債券的到期日為發行日期三週年當日。可換股債券按年利率10%計息及無抵押，利息須每年支付。於報告期末，可供轉換的可換股債券金額合共為77,000,000港元(未經審核)(二零一四年十二月三十一日(經審核)：80,000,000港元)。

債券持有人可於到期前隨時按每股換股股份0.10港元的換股價將全部或部份可換股債券的本金額轉換為本公司普通股。由於進行上述股份合併，本公司尚未轉換的可換股債券的換股價由每股股份0.10港元調整至每股股份0.40港元，自二零一三年七月二十九日起生效。

任何未贖回及未轉換的債券將於到期後以現金按未償還本金額的面值贖回。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 24 CONVERTIBLE BONDS (continued)

(a) (Continued)

The convertible bonds may be early redeemed at par value of the outstanding principal amount of the bond at any time at the option of the Company up to maturity provided that the Company has given not less than 7 business days' prior notice to the bondholder(s) of its intention to make that redemption.

The maturity dates of the five principal amounts of convertible bonds of HK\$23,000,000 (“**First Tranche Bonds**”), HK\$17,000,000 (“**Second Tranche Bonds**”), HK\$10,000,000 (“**Third Tranche Bonds**”), HK\$10,000,000 (“**Fourth Tranche Bonds**”) and HK\$17,000,000 (“**Fifth Tranche Bonds**”) were 1 December 2014, 29 December 2014, 9 January 2015, 4 March 2015 and 22 March 2015 respectively. The above aggregate principal amount of HK\$77,000,000 is collectively referred to as the “**Matured Bonds**”. As at date of approval of these consolidated financial statements, the repayment of all these Matured Bonds were defaulted. The directors of the Company represented that (i) the Company is currently in the course of arm's length negotiations with the holders of the Matured Bonds in relation to the proposed alteration (the “**Proposed Alteration**”); (ii) as negotiated with the holders of the Matured Bonds, they verbally agreed not to redeem the Matured Bonds until the Proposed Alteration is confirmed; and (iii) the interest on the Matured Bonds will continue to be payable by the Company until the date of redemption pursuant to the terms of the Matured Bonds. As at the approval date of the consolidated financial statements, the Proposed Alteration of the Matured Bonds have not been fixed and confirmed yet.

### 24 可換股債券(續)

(a) (續)

可換股債券可由本公司選擇，於直至到期日為止隨時按債券未償還本金額的面值提前贖回，惟本公司須已給予債券持有人不少於7個營業日的事先通知，表示其有意進行有關贖回。

五批本金額分別為23,000,000港元(「**第一批債券**」)、17,000,000港元(「**第二批債券**」)、10,000,000港元(「**第三批債券**」)、10,000,000港元(「**第四批債券**」)及17,000,000港元(「**第五批債券**」)的可換股債券的到期日分別為二零一四年十二月一日、二零一四年十二月二十九日、二零一五年一月九日、二零一五年三月四日及二零一五年三月二十二日。上述本金總額77,000,000港元統稱為「**到期債券**」。於此等綜合財務報表批准日期，所有該等到期債券拖欠還款。本公司董事表示，(i)本公司正與到期債券持有人就建議修改(「**建議修改**」)進行公平磋商；(ii)與到期債券持有人磋商後，彼等口頭同意於建議修改確認前不贖回到期債券；及(iii)根據到期債券條款，本公司將於贖回日期前繼續支付到期債券利息。於綜合財務報表批准日期，到期債券的建議修改尚未決定及確認。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 24 CONVERTIBLE BONDS (continued)

(a) (Continued)

At 30 June 2015, convertible bonds are due for repayment as follows:

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Within 1 year	90,094,854	82,561,759

The interest charged for the six months ended 30 June 2015 is calculated by applying an effective interest rate with a range from 17.54% p.a. to 33.73% p.a. (unaudited) (30 June 2014 (unaudited): 17.54% p.a. to 33.73% p.a.) to the liability component for the number of days to the end of reporting period since the bonds were issued.

### 24 可換股債券(續)

(a) (續)

於二零一五年六月三十日，可換股債券於以下期間到期償還：

截至二零一五年六月三十日止六個月的利息支出乃採用介乎負債部份17.54%至33.73%(未經審核)(二零一四年六月三十日(未經審核): 17.54%至33.73%)的實際年利率，按債券發行之日起至報告期結束止的天數計算。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 24 CONVERTIBLE BONDS (continued)

(a) (Continued)

The net proceeds received from the issuance of the convertible bonds have been split into the liability and equity components, as follows:

		First Tranche Bonds 第一批債券 HK\$ 港元	Second Tranche Bonds 第二批債券 HK\$ 港元	Third Tranche Bonds 第三批債券 HK\$ 港元	Fourth Tranche Bonds 第四批債券 HK\$ 港元	Fifth Tranche Bonds 第五批債券 HK\$ 港元	Total 總金額 HK\$ 港元
At 1 January 2014 (Audited)	於二零一四年一月一日 (經審核)	22,087,007	13,993,191	10,138,278	9,853,528	16,738,191	72,810,195
Interest charged	利息支出	6,512,993	4,706,809	1,777,812	1,804,281	2,949,669	17,751,564
Interest paid	已付利息	(2,600,000)	(1,700,000)	(1,000,000)	(1,000,000)	(1,700,000)	(8,000,000)
Liability component as at 31 December 2014 (Audited)	於二零一四年十二月 三十一日的負債部份 (經審核)	26,000,000	17,000,000	10,916,090	10,657,809	17,987,860	82,561,759
At 1 January 2015 (Audited)	於二零一五年一月一日 (經審核)	26,000,000	17,000,000	10,916,090	10,657,809	17,987,860	82,561,759
Principal repayment	償還本金	(3,000,000)	-	-	-	-	(3,000,000)
Interest charged	利息支出	4,140,023	2,843,384	955,888	987,843	1,605,957	10,533,095
Liability component as at 30 June 2015 (Unaudited)	於二零一五年六月三十日 的負債部份(未經審核)	27,140,023	19,843,384	11,871,978	11,645,652	19,593,817	90,094,854

(b) In 2012, the Company issued convertible bonds with maturity date on the fifth anniversary of the date of issue for an aggregate principal amount of HK\$106,840,000 as part consideration for the acquisition of Victory Dragon Holdings Limited and its subsidiary, Long Chuan (“**Victory Dragon Group**”) in 2012. The convertible bonds bear interest at 5% p.a. payable annually and are unsecured.

### 24 可換股債券(續)

(a) (續)

發行可換股債券所得款項淨額已分為負債部份及權益部份如下：

(b) 於二零一二年，本公司發行本金總額為106,840,000港元的可換股債券，作為於二零一二年收購凱龍集團有限公司及其附屬公司龍川(「**凱龍集團**」)之部份代價。可換股債券的到期日為發行日期五週年當日。可換股債券按年利率5%計息及無抵押，利息須每年支付。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 24 CONVERTIBLE BONDS (continued)

(b) (Continued)

The bondholder of the convertible bonds at any time before maturity can convert the whole or part of the principal amount of the convertible bonds in whole multiples of HK\$1,000,000 into ordinary shares of the Company at the conversion price of HK\$0.126 per share. As a result of the share consolidation in July 2013, the conversion price of outstanding convertible bonds of the Company was adjusted from HK\$0.126 per share to HK\$0.504 per share with effect on 29 July 2013.

Upon maturity any unredeemed and unconverted bonds will be redeemed at par value of the outstanding principal amount in cash.

The Company may at any time before the maturity date early redeem the convertible bonds.

On 15 January 2013, the convertible bonds in the principal amount of HK\$43,840,000 were converted into 347,936,507 ordinary shares of the Company at HK\$0.025 each.

Pursuant to an agreement signed for acquisition of 51% of the issued share capital of Victory Dragon Group, Voice Key Group Limited (“**First Vendor**”) and the guarantor, Mr. Chu Yuk Lung (the “**Guarantor**”) irrevocably warrant and guarantee to the Group that the audited consolidated net profit after tax and any extraordinary and exceptional items (“**Audited Profit**”) of Victory Dragon Group will not be less than RMB30,000,000 (“**Guaranteed Profit**”) for the period of 12 months commencing from the date of completion of the acquisition (“**Guaranteed Period**”).

If the Guaranteed Profit is not achieved for the Guaranteed Period, the Group will be entitled to deduct from the outstanding principal amount of the convertible bonds on a dollar for dollar basis which is equivalent to the difference between the Audited Profit and Guaranteed Profit. If Victory Dragon Group record a consolidated net loss after tax and any extraordinary and exceptional items for the Guarantee Period, the Group will be entitled to deduct from the outstanding principal amount of the convertible bonds which is equivalent to an amount of the summation of the loss and the Guaranteed Profit provided that the maximum compensation amount shall not exceed HK\$50,000,000.

### 24 可換股債券(續)

(b) (續)

可換股債券持有人可於到期前隨時按每股0.126港元的換股價將全部或部份本金額為1,000,000港元之整倍數的可換股債券轉換為本公司普通股。由於在二零一三年七月進行股份合併，本公司尚未轉換的可換股債券的換股價自二零一三年七月二十九日起由每股0.126港元調整至每股0.504港元。

任何未贖回及未轉換的債券將於到期後以現金按未償還本金額的面值贖回。

本公司可於到期日前隨時提前贖回可換股債券。

於二零一三年一月十五日，本金額為43,840,000港元之可換股債券已獲轉換為347,936,507股每股面值0.025港元之本公司普通股。

根據就收購凱龍集團已發行股本的51%而簽訂之協議，Voice Key Group Limited(「**第一賣方**」)及擔保人朱浴龍先生(「**擔保人**」)不可撤銷地向本集團承諾及擔保，凱龍集團自完成收購日期起計12個月期間(「**保證期**」)之除稅及任何特殊及非經常項目後的經審核綜合純利(「**經審核溢利**」)將不少於人民幣30,000,000元(「**保證溢利**」)。

倘於保證期內未能達致保證溢利，本集團將有權按等額現金基準自可換股債券的未償還本金額中扣除相等於經審核溢利與保證溢利之間的差額。倘凱龍集團於保證期內錄得除稅及任何特殊及非經常項目後綜合虧損淨額，本集團將有權自可換股債券的未償還本金額中扣除相等於虧損及保證溢利總值的金額，惟最高補償金額不得超過50,000,000港元。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 24 CONVERTIBLE BONDS (continued)

(b) (Continued)

The First Vendor (i.e. the bondholder) agrees that unless and until the delivery of the consolidated audited financial statements of Victory Dragon Group for the Guarantee Period showing that the Guaranteed Profit has been fulfilled, it will not convert, transfer or dispose of the convertible bonds such that the outstanding principal amount of the convertible bonds shall be less than HK\$50,000,000 or otherwise cause the outstanding principal amount of the convertible bonds below HK\$50,000,000.

On 30 August 2013, the directors of the Company announced the audited financial statements of Victory Dragon Group for the Guarantee Period showed a net loss after tax and any extraordinary and exceptional items of HK\$8,228,917. Based on the exchange rate at that time, the Guaranteed Profit was HK\$38,090,401 (equivalent to RMB30,000,000), and hence, the actual shortfall between the audited net loss and the Guaranteed Profit was HK\$46,319,318. As such on 16 October 2013, the convertible bonds in the principal amount of HK\$46,319,318 was cancelled and deducted.

As at the end of the reporting period, the principal amount of convertible bonds in relation to the Victory Dragon Group in 2012 being available was HK\$16,680,682 (unaudited) (31 December 2014 (audited): HK\$16,680,682) with maturity due in 2017.

The non-redemption of the Matured Bonds (the “**Non-redemption**”) technically constitutes an event of default on the part of the Company and can lead to a mandatory redemption of the Victory Dragon Bonds. Therefore, Victory Dragon Bonds have become due and payable at their principal amounts if any of their holders serves a notice on the Company. As at the approval date of the condensed consolidated interim financial statements, the Company represented that no mandatory redemption request has been received from any of the bondholders of the Victory Dragon Bonds.

### 24 可換股債券(續)

(b) (續)

第一賣方(即債券持有人)同意,除非及直至凱龍集團呈交保證期之綜合經審核財務報表,顯示已達致保證溢利,否則其將不會轉換、轉讓或出售可換股債券而致使可換股債券之未償還本金額少於50,000,000港元,或以其他方式致使可換股債券之未償還本金額少於50,000,000港元。

於二零一三年八月三十日,本公司董事宣佈,凱龍集團於保證期的經審核財務報表顯示,凱龍集團錄得除稅及任何特殊及非經常項目後虧損淨額8,228,917港元。按當時的匯率計算,保證溢利為38,090,401港元(相當於人民幣30,000,000元),因此,經審核虧損淨額與保證溢利之間的實際差額為46,319,318港元。因此,於二零一三年十月十六日,本金額為46,319,318港元之可換股債券已獲註銷及扣除。

於報告期末,於二零一二年與凱龍集團有關的可換股債券的可供轉換本金額為16,680,682港元(未經審核)(二零一四年十二月三十一日(經審核):16,680,682港元),且於二零一七年到期。

未予贖回的到期債券(「未予贖回」)理論上構成本公司違約,並可導致強制贖回凱龍債券。因此,凱龍債券將於任何凱龍債券持有人向本公司發出通知時到期,並須償還其本金。於簡明綜合中期財務報表批准日期,本公司表示其並未接獲任何凱龍債券持有人發出任何強制贖回的要求。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 24 CONVERTIBLE BONDS (continued)

(b) (Continued)

The net proceeds received from the issuance of the convertible bonds have been split into the liability and equity components, as follows:

		Liability component 負債部份 HK\$ 港元	Equity component 權益部份 HK\$ 港元	Total 總計 HK\$ 港元
At 1 January 2014 (Audited)	於二零一四年一月一日 (經審核)	10,834,593	6,920,516	17,755,109
Interest charged	利息支出	1,715,805	-	1,715,805
Interest paid	已付利息	(834,034)	-	(834,034)
At 31 December 2014 (Audited)	於二零一四年十二月三十一日 (經審核)	11,716,364	6,920,516	18,636,880
At 1 January 2015 (Audited)	於二零一五年一月一日 (經審核)	<b>11,716,364</b>	<b>6,920,516</b>	<b>18,636,880</b>
Interest charged	利息支出	<b>927,722</b>	-	<b>927,722</b>
Interest paid	已付利息	-	-	-
At 30 June 2015 (Unaudited)	於二零一五年六月三十日 (未經審核)	<b>12,644,086</b>	<b>6,920,516</b>	<b>19,564,602</b>

The interest for the six months ended 30 June 2015 is calculated by applying an effective interest rate of 17.58% p.a. (unaudited) (30 June 2014 (unaudited): 17.58%) to the liability component for the number of days to the end of the reporting period since the bonds were issued.

### 24 可換股債券(續)

(b) (續)

發行可換股債券所得款項淨額已分為負債部份及權益部份如下：

截至二零一五年六月三十日止六個月的利息乃採用負債部份 17.58% (未經審核) (二零一四年六月三十日(未經審核): 17.58%) 的實際年利率，按債券發行起至報告期結束止的天數計算。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 25 SHARE CAPITAL

### 25 股本

	Note 附註	At 30 June 2015 於二零一五年六月三十日		At 31 December 2014 於二零一四年十二月三十一日	
		Number of shares 股份數目	Amount 金額 HK\$ 港元	Number of shares 股份數目	Amount 金額 HK\$ 港元
		(Unaudited) (未經審核)	(Unaudited) (未經審核)	(Audited) (經審核)	(Audited) (經審核)
Ordinary shares, issued and fully paid:	普通股，已發行及繳足：				
At 1 January	於一月一日	2,495,451,437	989,710,234	1,608,184,265	160,818,427
Conversion of convertible preference shares	轉換可轉換優先股	(a) 565,631,177	90,500,988	-	-
Transition to no-par value regime on 3 March 2014	於二零一四年三月三日過渡至無面值制度	(b) -	-	-	690,145,419
Shares issued pursuant to a share placing	根據股份配售而發行的股份	(a) -	-	321,636,000	48,245,400
Shares issued pursuant to the Loan Capitalisation	根據貸款資本化而發行的股份	(a) -	-	565,631,172	90,500,988
At 30 June/31 December	於六月三十日/ 十二月三十一日	3,061,082,614	1,080,211,222	2,495,451,437	989,710,234

The holders of ordinary shares are entitled to receive dividends as declared from time to time and are entitled to one vote per share at meetings of the Company. All ordinary shares rank equally with regard to the Company's residual assets.

普通股持有人有權收取不時宣派的股息，並有權按每股一票在本公司大會上投票。所有普通股就本公司的剩餘資產而言享有同等權益。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 25 SHARE CAPITAL (continued)

#### (a) Issue of shares

On 30 July 2014, 321,636,000 ordinary shares were issued by placing at HK\$0.15 each for cash consideration of HK\$48,245,400.

On 14 August 2014, an aggregate of 565,631,172 ordinary shares and an aggregate of 565,631,177 CPS each were issued at a price of HK\$0.16 and HK\$0.16 respectively in respect of the Loan Capitalisation (Note 23).

On 10 April 2015, the Company's CPS with principal value of HK\$90,500,988 were converted into 565,631,177 ordinary shares of the Company at a conversion price of approximately HK\$0.16 per ordinary share. Accordingly, an aggregate amount of HK\$90,500,988 was released from convertible preference shares reserve, and was credited to share capital account.

- (b) In accordance with the transitional provisions as set out in section 37 of schedule 11 to Hong Kong Companies Ordinance, any amount standing to the credit of the share premium has become part of the Company's share capital on 3 March 2014.

### 25 股本(續)

#### (a) 發行股份

於二零一四年七月三十日，321,636,000股普通股已透過配售按每股0.15港元的價格發行，現金代價為48,245,400港元。

於二零一四年八月十四日，合共565,631,172股普通股及合共565,631,177股可轉換優先股分別就貸款資本化(附註23)按0.16港元及0.16港元的價格發行。

於二零一五年四月十日，本公司本金額為90,500,988港元的可轉換優先股已按每股普通股約0.16港元的換股價轉換為565,631,177股本公司普通股。因此，總額90,500,988港元已自可轉換優先股儲備中解除，並已計入股本賬。

- (b) 根據香港公司條例附表11第37條載列的過渡條文，於二零一四年三月三日，股份溢價上的任何貸方結餘已成為本公司股本的一部份。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 26 DISPOSAL OF SUBSIDIARIES

Pursuant to an agreement dated 16 October 2013 entered into between the Company and an independent third party (the “Purchaser”), the Company disposed of 100% equity interest in CVM International Limited (“CVMIL”), to the Purchaser at a consideration of US\$1,000,000 (equivalent to HK\$7,757,479). CVMIL and its subsidiaries, CVM Minerals Indonesia Sdn. Bhd., PT. Commerce Venture Coal and PT. Commerce Venture Iron Ore, are principally engaged in the business of exploration of minerals namely iron ore, coal and manganese in Aceh of Indonesia. The disposal was completed on 3 April 2014.

### 26 出售附屬公司

根據本公司與一名獨立第三方(「買方」)訂立日期為二零一三年十月十六日的協議，本公司向買方出售CVM International Limited(「CVMIL」)的全部股權，代價為1,000,000美元(相當於7,757,479港元)。CVMIL以及其附屬公司CVM Minerals Indonesia Sdn. Bhd.、PT. Commerce Venture Coal及PT. Commerce Venture Iron Ore主要於印尼亞齊省從事礦物(即鐵礦石、煤炭及錳)勘探業務。該項出售事項已於二零一四年四月三日完成。

		HK\$ 港元
<b>Analysis of assets and liabilities over which control was lost</b>	<b>失去控制權的資產及負債分析</b>	
Property, plant and equipment	物業、廠房及設備	112,095
Goodwill	商譽	-
Exploration and evaluation assets	勘探及評估資產	-
Prepayments, deposits and other receivables	預付款項、按金及其他應收款項	224,066
Cash and cash equivalents	現金及現金等價物	659
Trade and other payables	應付賬款及其他應付款項	(2,792,716)
<b>Net liabilities disposal of</b>	<b>出售的負債淨額</b>	<b>(2,455,896)</b>
<b>Gain on disposal of subsidiaries</b>	<b>出售附屬公司的收益</b>	
Consideration received	已收取代價	7,757,479
Net liabilities disposal of	出售的負債淨額	2,455,896
Non-controlling interests	非控股權益	(1,263,559)
Cumulative exchange differences in respect of the net liabilities of the subsidiaries reclassified from equity to profit or loss on loss of control of the subsidiaries	有關失去附屬公司的控制權時將該等附屬公司的負債淨額自權益重新分類至損益的累計匯兌差異	1,522,118
<b>Gain on disposal</b>	<b>出售收益</b>	<b>10,471,934</b>
<b>Net cash inflow arising on disposal of subsidiaries</b>	<b>出售附屬公司產生的現金流入淨額</b>	
Cash consideration	現金代價	7,757,479
Less: cash and cash equivalents disposed of	減：出售的現金及現金等價物	(659)
		<b>7,756,820</b>

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 27 COMMITMENTS

#### (a) Capital commitments

Capital commitments outstanding as at 30 June 2015 not provided for in the condensed consolidated interim financial statements were as follows:

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Contracted for	16,182,291	17,526,584
Authorised but not contracted for	-	-
	<b>16,182,291</b>	<b>17,526,584</b>

#### (b) Future minimum royalty payments

Pursuant to the Mining Agreement (Note 14), the royalties to MERSB are subject to a monthly minimum payment of RM30,000 (equivalent to approximately HK\$61,485) (unaudited) (31 December 2014 (audited): RM30,000 (equivalent to approximately HK\$66,905)) for a period of 20 years, unless early terminated by the Group by giving one month's written notice to MERSB. The total minimum royalties amounted to RM5,040,000 (unaudited) (equivalent to approximately HK\$10,329,480) (unaudited) (31 December 2014 (audited): RM5,220,000 (equivalent to approximately HK\$11,640,000) over the 20 years period.

### 27 承擔

#### (a) 資本承擔

於二零一五年六月三十日，並無於簡明綜合中期財務報表中撥備的未償付資本承擔如下：

#### (b) 未來最低專利權費

根據採礦協議(附註14)，須按每月最低付款支付予MERSB的專利權費為30,000馬幣(相當於約61,485港元)(未經審核)(二零一四年十二月三十一日(經審核): 30,000馬幣(相當於約66,905港元))，為期20年，除非本集團向MERSB發出一個月書面通知提前終止。20年期間的最低專利權費總額為5,040,000馬幣(相當於約10,329,480港元)(未經審核)(二零一四年十二月三十一日(經審核): 5,220,000馬幣(相當於約11,640,000港元))。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 27 COMMITMENTS (continued)

#### (c) Operating lease commitments

At 30 June 2015, the total minimum lease payments under non-cancellable operating leases are payable as follows:

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Within 1 year	32,500	34,737

The Group is the lessee in respect of office premises held under operating leases. The leases typically run for an initial period of one to two years, with an option to renew the lease when all terms are renegotiated. The leases do not include a contingent rental.

#### (d) Environmental contingencies

The Group has not incurred any significant expenditure for environment remediation and has not accrued any amounts for environmental remediation relating to its operations. Under existing legislation, management believes that there are no probable liabilities that will have a material adverse effect on the financial position or operating results of the Group. Laws and regulations protecting the environment have generally become more stringent in recent years and could become more stringent in the future. Environmental liabilities are subject to considerable uncertainties which affect the Group's ability to estimate the ultimate cost of remediation efforts. These uncertainties include:

- (i) the exact nature and extent of the contamination at the mines and processing plants;
- (ii) the extent of required cleanup efforts;
- (iii) varying costs of alternative remediation strategies;
- (iv) changes in environmental remediation requirements; and
- (v) the identification of new remediation sites.

### 27 承擔(續)

#### (c) 經營租賃承擔

於二零一五年六月三十日，根據不可撤銷經營租賃的應付最低租賃付款總額如下：

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
Within 1 year	32,500	34,737

本集團為持作經營租賃的辦公室承租人。租約一般初步為期一至兩年，並可選擇於重新議定所有條款後續約。所有租約均不包括或然租金。

#### (d) 環境或然事項

本集團並未因環境補救問題產生任何重大支出，亦無就任何與業務相關的環境補救問題產生任何應計提款項。根據現行法例，管理層相信不會發生任何對本集團財務狀況或經營業績有重大負面影響的負債。保護環境的法律及法規近年在整體上變得較為嚴格並且在未來會更加嚴格。環保負債涉及多項不明朗因素，可影響本集團估計最終補救成本的能力。該等不明朗因素包括：

- (i) 礦山及選礦廠所發生污染的實際性質和程度；
- (ii) 所需清理工作的程度；
- (iii) 替代補救措施的不同成本；
- (iv) 環境補救規定的改變；及
- (v) 新實施補救措施地點的確認。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 27 COMMITMENTS (continued)

#### (d) Environmental contingencies

(continued)

The amount of this future cost is indeterminable due to these factors as the unknown magnitude of possible contamination and the unknown timing and extent of the corrective actions that may be required. Accordingly, the outcome of environmental liabilities under proposal for future environmental legislation cannot be reasonably estimated at present and could be material.

### 28 CONTINGENT LIABILITIES

#### (a) Corporate guarantees issued

As at 30 June 2015, the Company has issued corporate guarantees totalling approximately RM184,600,000 (equivalent to approximately HK\$378,356,000 (unaudited)) (31 December 2014 (audited): RM184,600,000 (equivalent to approximately HK\$409,767,000)) to Bank Rakyat in respect of bank loan facilities granted to CVMSB.

As mentioned in note 22 to the condensed consolidated interim financial statements, the Group further accepted a new restructuring proposal offered by Bank Rakyat on 26 June 2015 and therefore, the Directors of the Company do not consider it is probable that a claim will be made against the Company under the corporate guarantees. The maximum liability of the Company as at 30 June 2015 under the corporate guarantees issued is approximately RM172,600,000 (equivalent to approximately HK\$353,761,000) (unaudited).

As at 30 June 2015, the Company has issued a corporate guarantee totalling RM850,000 (equivalent to approximately HK\$1,742,000 (unaudited)) (31 December 2014 (audited): RM850,000 (equivalent to approximately HK\$1,887,000)) to a supplier in respect of the purchase of liquefied petroleum gas made by CVMSB.

As at 30 June 2015, the Company has issued corporate guarantees totalling RM133,004 (unaudited) (equivalent to approximately HK\$273,000 (unaudited)) (31 December 2014 (audited): RM133,004 (equivalent to approximately HK\$300,000)) for finance lease creditors in respect of the purchase of motor vehicles by CVMSB.

### 27 承擔(續)

#### (d) 環境或然事項(續)

由於尚未確定可能發生污染之程度和可能需要之補救措施之時間和程度等因素，因此無法確定未來可能產生此類費用所需之金額，故目前無法合理地估計日後環境法規建議可能產生的環境負債，而有關負債可為重大。

### 28 或然負債

#### (a) 已發出公司擔保

於二零一五年六月三十日，本公司已就 CVMSB 獲授之銀行貸款融資向 Bank Rakyat 作出合共約 184,600,000 馬幣(相當於約 378,356,000 港元(未經審核))(二零一四年十二月三十一日(經審核): 184,600,000 馬幣(相當於約 409,767,000 港元))之公司擔保。

誠如簡明綜合中期財務報表附註 22 所述，本集團進一步於二零一五年六月二十六日接納 Bank Rakyat 提出的新重組提案，故本公司董事認為，本公司不大可能因公司擔保而遭索償。本公司於二零一五年六月三十日發出公司擔保的最高負債約為 172,600,000 馬幣(相當於約 353,761,000 港元)(未經審核)。

於二零一五年六月三十日，本公司就 CVMSB 購置液化石油氣向供應商發出公司擔保合共 850,000 馬幣(相當於約 1,742,000 港元(未經審核))(二零一四年十二月三十一日(經審核): 850,000 馬幣(相當於約 1,887,000 港元))。

於二零一五年六月三十日，本公司就 CVMSB 購置汽車的融資租賃債項發出公司擔保合共 133,004 馬幣(未經審核)(相當於約 273,000 港元(未經審核))(二零一四年十二月三十一日(經審核): 133,004 馬幣(相當於約 300,000 港元))。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 28 CONTINGENT LIABILITIES (continued)

#### (a) Corporate guarantees issued

(continued)

In respect of the Company's corporate guarantee provided in relation to above other financing facilities granted to a supplier of liquefied petroleum gas made by CVMSB and the guarantee given to finance lease creditors of motor vehicles and equipment purchased by CVMSB, the Directors of the Company consider the possibility of being materialised is remote and immaterial. The Directors of the Company consider that no such liabilities are required to be recognised as at 30 June 2015 and 31 December 2014.

The Company has not recognised any deferred income in respect of the corporate guarantees as its fair value cannot be reliably measured and its transaction price was nil for the six months ended 30 June 2015 and 2014.

#### (b) Contingent liability arising from default of convertible bonds

As explained in Note 24 to the condensed consolidated interim financial statements, the Matured Bonds and Victory Dragon Bonds had become due and payable at their principal amounts if any of their holders serves a notice on the Company subsequent to 1 December 2014 as a result of the non-redemption by the Company or an event of default occurs. Pursuant to the convertible bond agreements, at any time after the convertible bonds have become payable, the respective convertible bondholders may without further notice institute such proceedings as it may think fit to enforce payment of the monies due.

### 28 或然負債(續)

#### (a) 已發出公司擔保(續)

就有關CVMSB向一名液化石油氣供應商授出的上述其他財務融資，以及向CVMSB購買汽車及設備之融資租賃債項授出的擔保而提供的本公司公司擔保而言，本公司董事認為作出公司擔保的可能性不大。於二零一五年六月三十日及二零一四年十二月三十一日，本公司董事認為概無有關負債須予確認。

截至二零一五年及二零一四年六月三十日止六個月，本公司並無確認公司擔保的任何遞延收入，乃因其公平值無法可靠地計量且其交易價格為零。

#### (b) 自拖欠可換股債券產生的或然負債

誠如簡明綜合中期財務報表附註24所述，倘任何到期債券及凱龍債券持有人因本公司未予贖回或拖欠還款情況發生，而於二零一四年十二月一日後向本公司發出通知，則到期債券及凱龍債券已到期及須按其本金額付款。根據可換股債券協議，於可換股債券成為應付後的任何時間，各可換股債券持有人毋須就構成其認為合適可強制償還到期款項的行動作進一步通知。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 29 MATERIAL RELATED PARTY TRANSACTIONS

During the six months ended 30 June 2015 and 2014, in addition to the transactions and balances disclosed in note 21 to the condensed consolidated interim financial statements, the following related party transactions took place between the Group and related parties on terms mutually agreed by the parties concerned.

### 29 重大關連方交易

截至二零一五年及二零一四年六月三十日止六個月，除簡明綜合中期財務報表附註21所披露的交易及結餘外，以下關連方交易在本集團與關連方之間按有關雙方互相協定的條款進行。

Name of party 關連方名稱	Relationship 關係
Ho Wah Genting Berhad (“ <b>HWGB</b> ”)	A shareholder of the Company
Ho Wah Genting Berhad (「 <b>HWGB</b> 」)	本公司股東
Ho Wah Genting Poipet Resorts Sdn. Bhd. (“ <b>HWGP</b> ”)	An associate of HWGB
Ho Wah Genting Poipet Resorts Sdn. Bhd. (「 <b>HWGP</b> 」)	HWGB的聯營公司
HWG Tin Mining Sdn. Bhd. (“ <b>HWGTM</b> ”)	A subsidiary of HWGB
HWG Tin Mining Sdn. Bhd. (「 <b>HWGTM</b> 」)	HWGB的附屬公司
Perak State Development Corporation (“ <b>PSDC</b> ”)	A shareholder of the Company
Perak State Development Corporation (「 <b>PSDC</b> 」)	本公司股東
PT Ho Wah Genting Berhad (“ <b>PTHWG</b> ”)	A subsidiary of HWGB
PT Ho Wah Genting Berhad (「 <b>PTHWG</b> 」)	HWGB的附屬公司
Majuperak Energy Resources Sdn. Bhd. (“ <b>MERSB</b> ”)	A subsidiary of PSDC
Majuperak Energy Resources Sdn. Bhd. (「 <b>MERSB</b> 」)	PSDC的附屬公司
Dato' Lim Hui Boon*	A father of a Director
拿督 Lim Hui Boon*	一名董事的父親

\* On 8 May 2015, Dato' Lim Hui Boon ceased to be a related party of the Group upon the resignation of Dato' Lim Ooi Hong as a Director of the Company.

\* 於二零一五年五月八日，拿督林偉雄在辭任本公司董事後，拿督 Lim Hui Boon 不再為本集團之關連方。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 29 MATERIAL RELATED PARTY TRANSACTIONS *(continued)*

Particulars of significant transactions between the Group and the above related parties are as follows:

#### (a) Recurring transactions

		<b>Six months ended 30 June</b>	
		截至六月三十日止六個月	
		<b>2015</b>	2014
		二零一五年	二零一四年
		<b>HK\$</b>	HK\$
		港元	港元
		<b>(Unaudited)</b>	(Unaudited)
		(未經審核)	(未經審核)
Office rent payable to: HWGB	應付辦公室租金予： HWGB	<b>54,193</b>	57,845
Purchase of flight tickets from: HWGP	向下列關連方購買機票： HWGP	<b>53,975</b>	154,563
Maintenance fee payable to: MERSB	應付維護費予： MERSB	<b>421,799</b>	477,223
Drilling machines rental income from: HWGTM	向下列關連方收取鑽探機 的租金收入： HWGTM	-	28,555

#### (b) Amount due to a member of staff

		<b>At</b>	At
		<b>30 June</b>	31 December
		<b>2015</b>	2014
		於二零一五年	於二零一四年
		六月三十日	十二月三十一日
		<b>HK\$</b>	HK\$
		港元	港元
		<b>(Unaudited)</b>	(Audited)
		(未經審核)	(經審核)
Dato' Lim Hui Boon	拿督Lim Hui Boon	-	2,015,329

The amount due is unsecured, interest-free and has no fixed terms of repayment.

該款項為無抵押、免息且無固定還款期。

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 29 MATERIAL RELATED PARTY TRANSACTIONS (continued)

#### (c) Amount due from a related party

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
HWGTM	-	36,391

### 29 重大關連方交易(續)

#### (c) 應收一名關連方款項

#### (d) Amounts due to related parties

	At 30 June 2015 於二零一五年 六月三十日 HK\$ 港元 (Unaudited) (未經審核)	At 31 December 2014 於二零一四年 十二月三十一日 HK\$ 港元 (Audited) (經審核)
HWGB	30,658	46,579
HWGP	-	8,879
MERSB	2,203,776	2,014,428
PTHWG	290,739	313,746
	<b>2,525,173</b>	<b>2,383,632</b>

#### (d) 應付關連方款項

The amounts are trade in nature, unsecured, interest-free and have no fixed terms of repayment.

該等款項為貿易性質、無抵押、免息且無固定還款期。

#### (e) Key management personnel remuneration

	Six months ended 30 June 截至六月三十日止六個月 2015 二零一五年 HK\$ 港元 (Unaudited) (未經審核)	2014 二零一四年 HK\$ 港元 (Unaudited) (未經審核)
Directors' fees	-	-
Salaries, allowances and benefits in kind	1,523,290	665,790
Retirement scheme contributions	29,680	7,500
	<b>1,552,970</b>	<b>673,290</b>

#### (e) 主要管理人員酬金

# NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS (CONTINUED)

## 簡明綜合中期財務報表附註(續)

### 30 NON-ADJUSTING EVENTS AFTER THE END OF THE REPORTING PERIOD

- (i) Subsequent to the end of the reporting period, the Company had announced on 21 July 2015 that the Company entered into a placing agreement with the placing agent, pursuant to which the Company has agreed to place up to 612,000,000 placing shares to not less than six independent third parties of the Group at HK\$0.185 per placing share (the “**Share Placement**”). The Share Placement was subsequently completed on 7 August 2015 and 612,000,000 ordinary shares of the Company were allotted and issued as a result. The net proceeds arising from the Share Placement were approximately HK\$110.4 million.
- (ii) Subsequent to the end of the reporting period, the Company had announced on 21 July 2015 that the Company proposed to raise gross proceeds of up to approximately HK\$185.3 million, before expenses, by way of an open offer. The Company shall allot and issue not less than 1,530,541,307 offer shares and not more than 1,853,089,603 offer shares to qualifying shareholders at the subscription price of HK\$0.10 per offer share, on the basis of one offer share for every two shares held by the qualifying shareholders. Up to the approval date of the condensed consolidated interim financial statements, the open offer is still conditional upon fulfillment of the conditions set out in the Company’s announcement dated 21 July 2015 and a revised timetable was set out in the Company’s announcement dated 11 August 2015 and the open offer is subject to the Underwriter not terminating the Underwriting Agreement. Pursuant to revised timetable, the Open Offer is expected to be completed on 28 October 2015.

### 30 報告期末後非調整事項

- (i) 於報告期末後，本公司於二零一五年七月二十一日宣佈，本公司與配售代理訂立一份配售協議，據此，本公司同意按每股配售股份0.185港元向不少於六名本集團獨立第三方配售最多612,000,000股配售股份(「**股份配售**」)。股份配售其後於二零一五年八月七日完成，因此，612,000,000股本公司普通股已獲配發及發行。股份配售產生之所得款項淨額約為110,400,000港元。
- (ii) 於報告期末後，本公司於二零一五年七月二十一日宣佈，本公司建議以公開發售方式籌集所得款項總額最多約185,300,000港元(扣除開支前)。本公司將按合資格股東每持有兩股股份獲發一股發售股份之基準，以認購價每股發售股份0.10港元向合資格股東配發及發行不少於1,530,541,307股發售股份及不多於1,853,089,603股發售股份。截至簡明綜合中期財務報表批准日期，公開發售尚有待本公司日期為二零一五年七月二十一日之公告所載條件達成後方可作實，本公司已於二零一五年八月十一日公佈經修訂時間表，而公開發售須待包銷商並無終止包銷協議時方可進行。根據經修訂時間表，公開發售預期於二零一五年十月二十八日完成。

## OTHER INFORMATION 其他資料

### INTERIM DIVIDEND

The board (“**Board**”) of directors (“**Directors**”) of Ding He Mining Holdings Limited (“**Company**”, together with its subsidiaries “**Group**”) did not recommend the payment of any dividend in respect of the six months ended 30 June 2015 (six months ended 30 June 2014: nil). Accordingly, there will be no closure of the register of members of the Company.

### COMPLIANCE WITH CORPORATE GOVERNANCE CODE

During the six months ended 30 June 2015, the Company has adopted the applicable code provisions and certain recommended best practices stipulated in the Corporate Governance Code (“**Code**”) as set out in Appendix 14 to the Rules Governing the Listing of securities on The Stock Exchange of Hong Kong Limited (“**Stock Exchange**”) (“**Listing rules**”). No Director is aware of any information that reasonably reveals that there is any non-compliance with the code provisions on the Code by the Company during any time of the interim period, except for certain deviations which are summarised below:

#### Code Provision A.4.1

Code Provision A.4.1 provides that non-executive directors should be appointed for a specific term, subject to re-election. The independent non-executive directors of the Company (“**Independent Non-executive Directors**”) were not appointed for a specific term but are subject to retirement by rotation and re-election at the annual general meetings of the Company in accordance with the provisions of the articles of association of the Company. As such, the Company considers that sufficient measures have been taken to ensure that the Company’s corporate governance practices are no less exacting than those in the Code.

#### Code Provision A.6.7

Under code provision A.6.7 of the Code, independent non-executive directors and other non-executive directors should attend general meetings and develop a balanced understanding of the views of shareholders. Certain Independent Non-executive Directors were unable to attend the annual general meeting of the Company held on 26 June 2015 due to their other business engagements.

### 中期股息

鼎和礦業控股有限公司(「本公司」，連同其附屬公司，統稱「本集團」)董事(「董事」)會(「董事會」)並不建議就截至二零一五年六月三十日止六個月派付任何股息(截至二零一四年六月三十日止六個月：無)。因此，本公司不會暫停辦理股份過戶登記手續。

### 遵守企業管治守則

截至二零一五年六月三十日止六個月，本公司已採納香港聯合交易所有限公司(「聯交所」)證券上市規則(「上市規則」)附錄14所載企業管治守則(「守則」)中所訂適用守則條文及若干建議的最佳常規。據董事所知，並無任何資料合理顯示本公司於中期期間任何時間有任何違反守則的守則條文的情況，惟下文概述的若干偏離行為除外：

#### 守則條文第A.4.1條

守則條文第A.4.1條規定非執行董事的委任應有指定任期，並須經膺選連任。本公司獨立非執行董事(「獨立非執行董事」)的委任並無指定任期，惟須根據本公司組織章程細則條文輪值退任並於本公司股東週年大會上膺選連任。因此，本公司認為已採取足夠措施，確保本公司的企業管治常規不遜於守則規定。

#### 守則條文第A.6.7條

根據守則的守則條文第A.6.7條，獨立非執行董事及其他非執行董事應出席股東大會並對股東的意見有公正的瞭解。若干獨立非執行董事因其他公務而未能出席本公司於二零一五年六月二十六日舉行的股東週年大會。

## BOARD OF DIRECTORS AND BOARD COMMITTEES

As at the date of this report, the composition of the board of Directors of the Company (“**Board**”) was as follows:

### Executive Directors

Mr. Du Jian Jun (*Chairman*)  
Mr. Ji Kuang (*Co-Vice Chairman*)  
Mr. Li Po Wai (*Co-Vice Chairman*)  
Mr. Leung Wai Kwan (*Group Chief Executive Officer*)  
Mr. Fan Weipeng  
Ms. Meng Xiao Ying  
Mr. Yin Shibo

### Independent Non-executive Directors

Mr. Chan Kin Ho Philip  
Ms. Tian Jinghua  
Ms. Li Zhenzhen

Since 1 January 2015 and up to the date of this report, there have been a number of changes in the Board as set out below:

- Mr. Fan Weipeng and Mr. Zheng Changxing were appointed as executive Directors of the Company (“**Executive Directors**”) with effect from 16 March 2015.
- Ms. Wong Choi Kay and Mr. Tony Tan resigned as Independent Non-executive Directors with effect from 22 April 2015.
- Dato’ Lim Ooi Hong resigned as executive Director with effect from 8 May 2015.
- Mr. Zheng Changxing retired as executive Director with effect from 26 June 2015.
- Mr. Li Po Wai and Mr. Yin Shibo were appointed as executive Directors of the Company with effect from 29 June 2015.
- Ms. Li Zhenzhen was appointed as Independent Non-executive Director with effect from on 17 July 2015.
- Mr. Cheung Ning resigned as Independent Non-executive Director with effect from 17 September 2015.

## 董事會及董事委員會

於本報告日期，本公司董事會(「**董事會**」)成員如下：

### 執行董事

杜建軍先生(主席)  
嵇匡先生(聯席副主席)  
李寶偉先生(聯席副主席)  
梁維君先生(集團行政總裁)  
范偉鵬先生  
孟小英女士  
尹仕波先生

### 獨立非執行董事

陳建豪先生  
田晶華女士  
李珍珍女士

自二零一五年一月一日起及直至本報告日期止，董事會發生下列多項變動：

- 范偉鵬先生及鄭昌幸先生獲委任為本公司執行董事(「**執行董事**」)，自二零一五年三月十六日起生效。
- 黃賽琦女士及陳業強先生辭任獨立非執行董事，自二零一五年四月二十二日起生效。
- 拿督林偉雄辭任執行董事，自二零一五年五月八日起生效。
- 鄭昌幸先生退任執行董事，自二零一五年六月二十六日起生效。
- 李寶偉先生及尹仕波先生獲委任為本公司執行董事，自二零一五年六月二十九日起生效。
- 李珍珍女士獲委任為獨立非執行董事，自二零一五年七月十七日起生效。
- 張寧先生辭任獨立非執行董事，自二零一五年九月十七日起生效。

## OTHER INFORMATION 其他資料

The composition of Board committees of the Company (“**Board Committees**”) remains the same as set out in the 2014 Annual Report, save that:

- Mr. Chan Kin Ho Philip, the Independent Non-executive Director, chairman of Nomination Committee, member of the Audit Committee and Remuneration Committee, be appointed as the chairman of the Audit Committee and Remuneration Committee on 22 April 2015;
- Mr. Cheung Ning, the Independent Non-executive Director be appointed as the member of each of the Audit Committee, Remuneration Committee and Nomination Committee on 22 April 2015;
- Ms. Wong Choi Kay ceased to act as chairman of Audit Committee and Remuneration Committee and member to Nomination Committee on 22 April 2015 following her resignation as the Independent Non-executive Director;
- Mr. Tony Tan ceased to act as the member of Audit Committee on 22 April 2015 following his resignation as the Independent Non-executive Director;
- Dato’ Lim Ooi Hong resigned as a member of Remuneration Committee on 8 May 2015 following his resignation as the Executive Director;
- Ms. Li Zhenzhen, the Independent Non-executive Director be appointed as the member of each of the Audit Committee, Remuneration Committee and Nomination Committee on 20 July 2015; and
- Mr. Cheung Ning resigned as a member of each of the Audit Committee, Remuneration Committee and Nomination Committee of the Company with effect from 17 September 2015.

本公司董事委員會(「**董事委員會**」)成員與二零一四年年報所載者相同，惟下述者除外：

- 獨立非執行董事、提名委員會主席兼審核委員會及薪酬委員會成員陳建豪先生於二零一五年四月二十二日獲委任為審核委員會及薪酬委員會主席；
- 獨立非執行董事張寧先生於二零一五年四月二十二日獲委任為審核委員會、薪酬委員會及提名委員會成員；
- 黃賽琦女士辭任獨立非執行董事後，於二零一五年四月二十二日不再為審核委員會及薪酬委員會主席以及提名委員會成員；
- 陳業強先生辭任獨立非執行董事後，於二零一五年四月二十二日不再為審核委員會成員；
- 拿督林偉雄辭任執行董事後，於二零一五年五月八日辭任薪酬委員會成員；
- 獨立非執行董事李珍珍女士於二零一五年七月二十日獲委任為審核委員會、薪酬委員會及提名委員會成員；及
- 張寧先生辭任本公司審核委員會、薪酬委員會及提名委員會成員，自二零一五年九月十七日起生效。

## DIRECTORS' INTERESTS IN SECURITIES

As at 30 June 2015, the interests and short positions of each Director and chief executive of the Company in the shares, underlying shares and debentures of the Company and its associated corporations (within the meaning of Part XV of the Securities and Futures Ordinance (“SFO”)) which were required to be (i) notified to the Company and the Stock Exchange pursuant to Divisions 7 and 8 of Part XV of the SFO (including interests and short positions which the Directors and the chief executive have taken or deemed to have under such provisions of the SFO); (ii) recorded in the register kept by the Company under section 352 of the SFO; or (iii) notified to the Company and the Stock Exchange pursuant to the Model Code for Securities Transactions by Directors of Listed Issuers (“Model Code”), were as follows:

Long positions in the shares:

## 董事於證券之權益

於二零一五年六月三十日，各董事及本公司主要行政人員於本公司及其相聯法團(定義見證券及期貨條例(「證券及期貨條例」)第XV部)之股份、相關股份及債券中擁有須(i)根據證券及期貨條例第XV部第7及第8分部知會本公司及聯交所之權益及淡倉(包括根據證券及期貨條例之有關條文董事及主要行政人員被當作或視為擁有之權益及淡倉)；(ii)記錄於本公司根據證券及期貨條例第352條存置之登記冊之權益及淡倉；或(iii)根據上市發行人董事進行證券交易的標準守則(「標準守則」)知會本公司及聯交所之權益及淡倉如下：

股份之好倉：

Director	董事	Nature of Interest		Total Number of Shares	Approximate percentage of shareholding
		Beneficial Owner	Interest of Spouse		
		實益擁有人	配偶權益	股份總數	持股概約百分比
Leung Wai Kwan	梁維君	725,000	3,324,500	4,049,500	0.13%

Save as disclosed above, at no time during the period under review was the Company or its subsidiary a party to any arrangement to enable the Directors and chief executives of the Company (including their spouse and children under 18 years of age) to acquire benefits by an acquisition of shares or underlying shares in, or debentures of the Company or its subsidiaries.

除上文披露者外，於回顧期內，本公司或其附屬公司概無訂立任何安排，使董事及本公司主要行政人員(包括其配偶及年齡未滿十八歲子女)可藉收購本公司或其附屬公司股份或相關股份或債券而獲益。

## SUBSTANTIAL SHAREHOLDERS' INTERESTS IN SECURITIES

As at 30 June 2015, so far as is known to the Directors and the chief executives of the Company, no person has interests or short positions in the shares and underlying shares of the Company or any of its associated corporations which were required to be disclosed to the Company under the provisions of Divisions 2 and 3 of Part XV of the SFO and as recorded in the register required to be kept by the Company under Section 336 of the SFO, or, were directly or indirectly, interested in 5% or more of the nominal value of share capital carrying rights to vote in all circumstances at general meetings of the Company.

## 主要股東於證券之權益

於二零一五年六月三十日，據董事及本公司主要行政人員所悉，概無任何人士於本公司或其任何相聯法團之股份及相關股份中擁有須根據證券及期貨條例第XV部第2及第3分部之條文向本公司披露之權益或淡倉以及記錄於證券及期貨條例第336條規定本公司須予存置之登記冊之權益或淡倉，或直接或間接擁有附帶權利可在任何情況下於本公司股東大會上投票之股本面值5%或以上之權益。

#### MODEL CODE FOR SECURITIES TRANSACTIONS BY DIRECTORS

The Company has adopted the Model Code as set out in Appendix 10 to the Listing Rules as the code of conduct for carrying out securities transactions by the Directors. After specific enquiry with all members of the Board, the Company confirmed that all Directors have fully complied with the relevant standards stipulated in the Model Code during the six months ended 30 June 2015 and up to the date of this Report.

#### PURCHASE, SALE OR REDEMPTION OF THE COMPANY'S LISTED SECURITIES

For the six months ended 30 June 2015, neither the Company nor its subsidiaries have purchased, sold or redeemed any of the Company's listed securities.

#### SHARE OPTION SCHEME

The share option scheme of the Company ("Scheme") was adopted on 14 October 2008. The purpose of the Scheme is to attract and retain the best quality personnel for the development of the Company's businesses; to provide additional incentives to the employees; to provide eligible participants with the opportunity to acquire proprietary interests in the Company; and to promote the long term financial success of the Company by aligning the interests of grantees to the Shareholders. Under the Scheme, the Board shall be entitled at any time (except for the period as defined under the Listing Rules whereby a price sensitive event or a price sensitive matter has been the subject of a decision) within 10 years commencing on the date of adoption of the Scheme to make an offer for the grant of an option to any employee (including any officer or Director, whether executive or non-executive, of the Company or its subsidiaries), and any consultant, adviser, supplier, customer or subcontractor of the Company or any other person determined by the Board as appropriate.

#### 董事進行證券交易的標準守則

本公司已採納上市規則附錄10所載標準守則作為董事進行證券交易的操守守則。經向董事會全體成員作出具體查詢後，本公司確認全體董事於截至二零一五年六月三十日止六個月及截至本報告日期均已全面遵守標準守則訂明的相關準則。

#### 購買、出售或贖回本公司上市證券

截至二零一五年六月三十日止六個月，本公司或其附屬公司概無購買、出售或贖回本公司任何上市證券。

#### 購股權計劃

本公司於二零零八年十月十四日採納本公司購股權計劃（「該計劃」）。該計劃旨在吸引及挽留精英人才發展本公司業務；為僱員提供額外獎勵；為合資格人士提供認購本公司股本權益的機會；以及藉連繫承授人與股東的利益，促進本公司長期財務成就。根據該計劃，董事會有權自採納該計劃當日起計10年內隨時（不包括上市規則所界定之價格敏感事件或價格敏感事宜為決定對象之期間）向本公司任何僱員（包括本公司或其附屬公司的高級職員或執行或非執行董事）及本公司任何顧問、諮詢人、供應商、客戶或分包商或董事會決定的任何其他人士（如適用）授出購股權。

Options granted must be taken up within 28 days of the date of grant, upon payment of HK\$1 per option. The maximum number of Shares in respect of which options may be granted under the Scheme shall not exceed 10% of the issued share capital of the Company on the date of adopting the Scheme. The limit may be refreshed at any time provided that the new limit must not be in aggregate exceed 10% of the issued share capital of the Company as at the date of the shareholders' approval in general meeting. However, the total number of shares which may be issued upon exercise of all outstanding options granted and yet to be exercised under the Scheme and any other scheme of the Company must not in aggregate exceed 10% of the shares in issue from time to time. The maximum number of Shares in respect of which options may be granted to any individual in any 12-month period shall not exceed 1% of the Shares in issue on the last date of such 12-month period unless approval of the shareholders of the Company has been obtained in accordance with the Listing rules. Options granted to substantial shareholders or independent non-executive directors in excess of issued share capital of the Company or with a value in excess of HK\$5 million must be approved in advance by the shareholders of the Company.

Options granted may be exercised at any time from date of grant of the share option to the 10th anniversary of the date of grant as may be determined by the Directors. The exercise price is determined by the Directors, and will not be less than the higher of the closing price per share as stated in the Stock Exchange's daily quotations sheets on the date of the grant of the options, the average closing price per share as stated in the Stock Exchange's daily quotations sheets for the five business days immediately preceding the date of the grant of the options, and the nominal value of a share.

The maximum number of shares available for issue under options which may be granted under the Scheme is 45,100,000 shares (representing 1.22% of the issued share capital of the Company as at the date of the report and 1.81% of the issued share capital as at the date of the 2014 annual report of the Company).

For the six months ended 30 June 2015, no option has been granted or agreed to be granted under the Scheme.

授出的購股權須在授出日期後28日內支付每份購股權1港元付款接納。可能根據該計劃授出的購股權所涉股份數目上限不得超過本公司採納該計劃當日本公司已發行股本10%。該上限可隨時更新，惟新上限合共不得超過股東在股東大會上批准當日本公司已發行股本10%。然而，可能因行使根據該計劃及本公司任何其他計劃授出的所有未行使購股權而發行的股份總數，合共不得超過不時已發行股份的10%。於任何十二個月期間可授予任何個別人士的購股權所涉股份數目上限不得超過本公司該十二個月期間屆滿當日已發行股份的1%，惟已根據上市規則獲本公司股東批准除外。向主要股東或獨立非執行董事授出的購股權超過本公司已發行股本或價值超過5,000,000港元，須事先獲本公司股東批准。

購股權可自授出購股權當日至授出購股權當日十週年止期間(可由董事釐定)隨時行使。行使價由董事釐定，且不得低於授出購股權日期聯交所每日報價表所列每股收市價、緊接授出購股權日期前五個營業日聯交所每日報價表所列每股平均收市價或股份面值三者之較高者。

根據該計劃可能授出的購股權可予發行的股份上限為45,100,000股股份(相當於本公司於本報告日期已發行股本的1.22%及於本公司二零一四年年報日期已發行股本的1.81%)。

截至二零一五年六月三十日止六個月，概無根據該計劃授出或同意授出購股權。

## OTHER INFORMATION 其他資料

### AUDIT COMMITTEE REVIEW

The Audit Committee comprises wholly Independent Non-Executive Directors, has reviewed the consistency of the accounting principles and practices adopted by the Group in enquiring with external auditors and has reviewed and discussed the internal controls and financial reporting matters, including the review of the unaudited consolidated interim financial results of the Group for the six months ended 30 June 2015 with the management.

The figures in respect of the interim results announcement have been agreed by Baker Tilly Hong Kong Limited (“**Baker Tilly Hong Kong**”), to the amounts as set out in the Group’s underlying condensed consolidated interim financial statements for the six months ended 30 June 2015. As the work performed by Baker Tilly Hong Kong in this respect did not constitute an assurance engagement in accordance with Hong Kong Standards of Auditing, Hong Kong Standards on Review Engagements or Hong Kong Standards on Assurance Engagements issued by the HKICPA, Baker Tilly Hong Kong did not express any assurance on the interim report.

By order of the Board  
**Dinghe Mining Holdings Limited**  
**Du Jian Jun**  
*Chairman*

31 August 2015

### 審核委員會審閱

由全體獨立非執行董事組成的審核委員會已審閱本集團向外聘核數師查詢後採納的會計原則及慣例是否一致，並已與管理層檢討及討論內部監控及財務報告事宜，包括審閱本集團截至二零一五年六月三十日止六個月的未經審核綜合中期財務業績。

天職香港會計師事務所有限公司（「**天職香港**」）已將有關中期業績公告的數字與本集團截至二零一五年六月三十日止六個月的簡明綜合中期財務報表所載數字確認一致。天職香港就此執行的工作並不構成根據香港會計師公會所頒佈的香港核數準則、香港審閱委聘準則或香港核證委聘準則而作出的核證委聘，因此，天職香港並無就中期報告作出任何核證。

承董事會命  
**鼎和礦業控股有限公司**  
主席  
**杜建軍**

二零一五年八月三十一日



DING HE MINING HOLDINGS LIMITED  
鼎和礦業控股有限公司